THE CHINA WEEKLY

# REVIEW

*Devoted to the Economic, Political and Social Development of China and its Intercourse with Other Nations*

## The Only Way the Troops Can Be Kept Here!

## Present American Feeling About China

*By Grover Clark*

## Improving China's Communications

*By Randall Gould*

(United Press Correspondent)

## Shanghai's Past, Present and Future Status

*By G. W. M.*

## Kuomintang Unites on Northern Campaign

*By J. B. P.*

評論報 密勒氏

SATURDAY, JUNE 25, 1927

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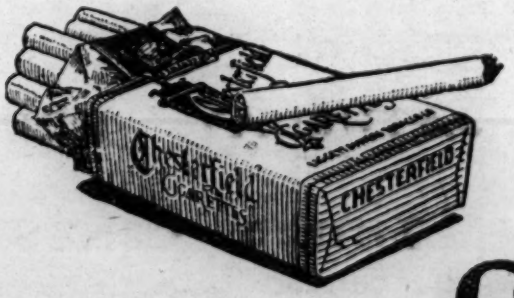


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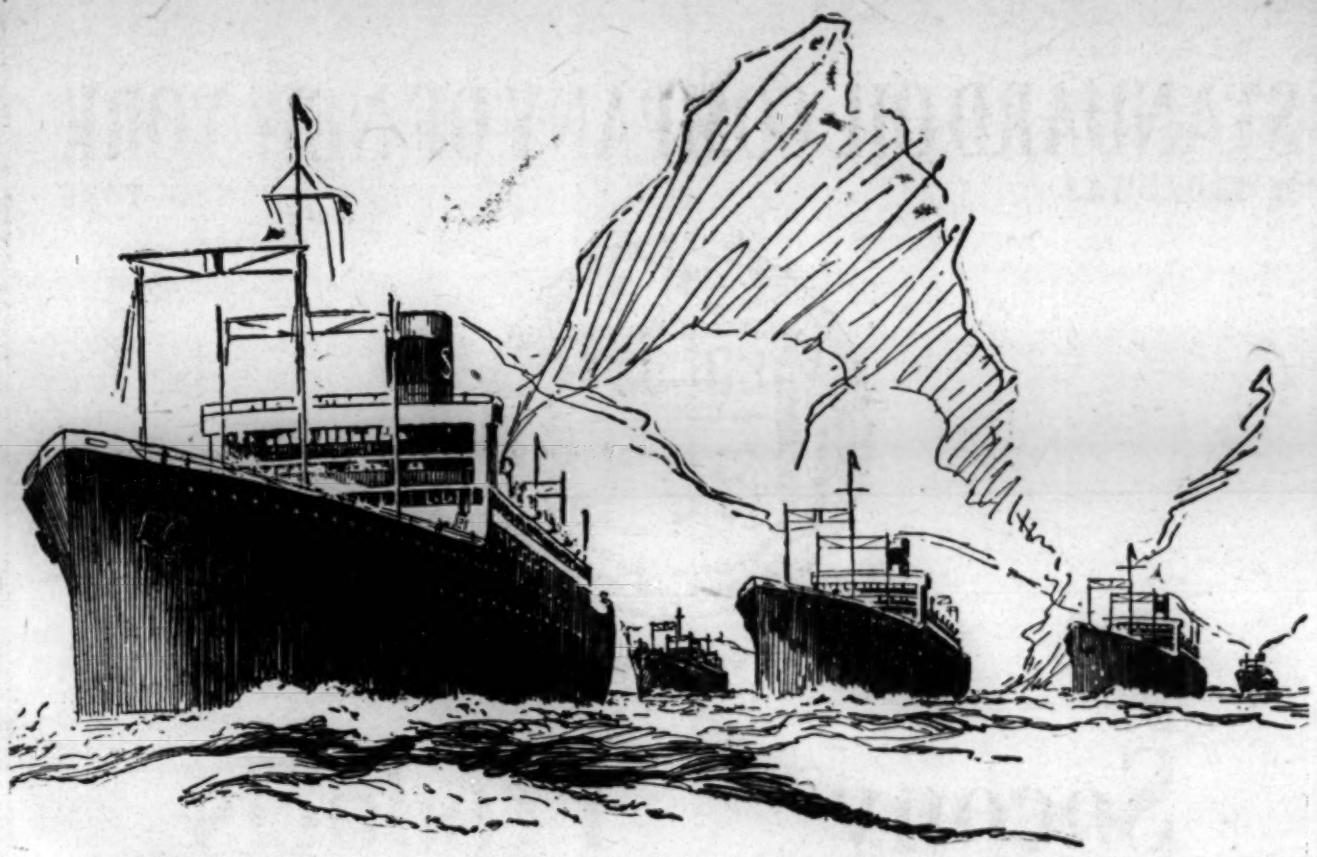

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J. B. POWELL, Editor and Publisher
LIZEN SCHENG, Advertising Manager

CONTRIBUTING EDITORS

HOLLINGTON K. TONG, H. F. MACNAIR,
HIN WONG, (Canton) BRUNO SCHWARTZ (Hankow)
CHAS. A. DAILEY (Peking) PEI-YU CHIEN,
WM. STEPHEN WANG (Tientsin) H. P. SHASTRI
SAMUEL H. CHANG (S'hai) LAWRENCE IMPEY (Peking)

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## THE ONLY WAY THE TROOPS CAN BE KEPT HERE

IT HAS BEEN stated previously in these columns of *The Review* that the question of the future status of Shanghai does not rest with the foreign residents here or with their Municipal Council, but with the home governments in London, Washington and Tokyo. The reason for this is that the cost of maintaining the British, American and Japanese troops, marines and sailors in Shanghai is being borne by the people at home rather than by the foreign residents of Shanghai. It is not necessary to discuss here the political and economic conditions prevailing in England, America or Japan. The United States is the only country of the three which can afford to maintain a large force here for any considerable length of time, but obviously the American people will not keep their marines and sailors here any longer than necessary. When Congress meets in the fall the whole question of the expense of the American marine and naval forces in China waters will be gone into and there will undoubtedly be a demand for their withdrawal. From the standpoint of the British and Japanese forces both countries are faced with home economic and political problems that far overshadow the question of the future status of Shanghai. Something might happen in either country which would necessitate the withdrawal of the protective forces at any time. Therefore the residents of Shanghai who have a real interest, sentimental or material, in the future welfare of Shanghai, should be giving serious thought to the matter of their relations with China in the future. Only fools believe that the present status of the International Settlement can be maintained indefinitely. Should something happen to cause the withdrawal of the foreign protective forces—tomorrow—it doesn't require much imagination to realize what might happen.

THEREFORE Shanghai should be doing something to meet the situation which is likely to develop in London, Washington or Tokyo, tomorrow, next month, or six months from now. In view of the heavy expense which the foreign nations are being put to in the maintainance of the foreign protective forces it is up to Shanghai to do something to prove that the presence of the troops is necessary. It is all right for us to say that the troops are necessary for the maintenance of trade, but when trade keeps on going down, that argument doesn't hold water. Therefore Shanghai has got to do something to convince the rest of the world that the troops are here for a purpose other than the preservation of conditions as they are or as they have been. In other words, Shanghai has got to develop a

program which will convince the American, British and Japanese peoples that Shanghai is worth protecting. What that program should be is not for us to say, but it must be something different from Shanghai's past attitude of sitting still, doing nothing, and then yelling for help when we get into trouble. A perusal of editorial comment on the Shanghai situation appearing in the American and British press should convince the most reactionary 'die-hard' that the rest of the world is becoming very much 'fed-up' with the apparent impossibility of the foreigners and Chinese here to get along together peacefully. If Shanghai could adopt a far-sighted, constructive program of Chinese education, accompanied by a forward policy in respect to labor and social legislation of a far-reaching character, there is a bare possibility that it might be possible to convince the American, British and Japanese peoples—and the Chinese as well—that the foreign troops should be permitted to remain here for a reasonable period until the new program could be put into effect. It is only something like this that can possibly save Shanghai for it is only a program like this which would convince the rest of the world that Shanghai is worth saving.

## SOME WISDOM FROM A FRENCH EDITOR

REFERENCE was made in *The Review* sometime ago to a warning which was sent out by the French Government to the French people, cautioning them against accepting without the usual barrel of salt certain exaggerated reports of conditions in China which were appearing in the English press. One direct result of the French Government's warning regarding the sort of news which was being sent out of Shanghai for English consumption, was the sending to China of several well known French newspaper correspondents. One of these men, Mr. Jules Sauerwein, foreign editor of *Le Matin*, Paris, who spent considerable time in Shanghai, has been contributing an unusually interesting series to his newspaper and *Le Matin* in turn has been syndicating them to the *New York Times* where they doubtless have attracted as much attention as they did in Paris. One of these articles which appeared in the *Times* on April 25 should be of interest to foreigners resident in China, since it goes rather searchingly into the fundamental reasons for the present clash between Chinese and foreigners:

"Going to the principal club in the foreign settlements, I found the residents in a state of great excitement. The French were complaining of the insufficiency of the French contingents and the English were lamenting the arrangement arrived at in Hankow, which they consider established a highly dangerous precedent. It is to be deplored that nearly all these old residents hate the Chinese. One hears hard words, which are signs of the times, such as, "What is Europe waiting for in order to establish a united front?" It is this colonial mentality which, unfortunately, renders easy Bolshevist propaganda in China.

"The anxiety of business men, whose families and fortunes are at the mercy of the catastrophe, is too comprehensible to be ignored. But if I could talk freely to them, I should like to say to them that, in my opinion, everything that is happening here now is the logical outcome of our action in 1919. Had the plenipotentiaries been inspired by the Bolsheviki, they would not have acted differently.

"They maintained privileges and colonial rights in a nation which they had accepted as an ally. They destroyed the prestige of foreigners when they stipulated that the subjects of former enemy powers could become amenable to Chinese law courts. Today they are told that their own citizens cannot refuse to accommodate themselves to the same conditions as the Germans and the Austrians.

"They made concessions to the Turks which they refuse to the Chinese. Lastly, they loosened the links with Japan, who, two years later, was abandoned and despoiled at Washington. The burden of all these faults is now borne by those who committed them.

Today, unless energetic and rapid diplomatic action is taken, China will become an easy prey to Bolshevism. That means that 400,000,000 peasants will remain as they are, laborious workers attached to their small holdings, but that a few million workmen, intellectuals and soldiers will reign easily by terror."

## ALSO SOME WISDOM FROM A BRITISH EDITOR!

MR. JAMES L. GARVIN, for many years editor of *The Observer* and since last year editor of the *Encyclopaedia Britannica*, recently contributed the following to *The Observer* on the subject of American and British interest in the fundamentals of the Far Eastern situation:

Take China and the Far East. There the one necessity of British policy is to hold on coolly and to abstain from aggressive blunders. It is well worth while to wait until America, as in the case of the Great War—though this time happily the purpose will be the assurance of peace—comes in for her own reasons. A few months' patience may mean a trying constraint. It is nothing by comparison with the fundamental business of a problem which will last for years.

Neither America nor Britain desires to acquire one inch of territory in the Far East. We are sorry to see that our contemporary the "New York World," which has often rendered splendid service to the causes of recovery and reconciliation since the war, has of late encouraged a baseless and almost unintelligible suspicion of British policy. Our contemporary imagines that we have selfish designs on the Yangtse valley such as we were supposed to harbor at the beginning of this century. There was little truth in the suspicion even then. Tsarist Russia, as our contemporary will remember, claimed not only Manchuria, but the north of China proper. Germany had seized Kiao-chau, and claimed exclusive rights in Shantung. France was moving in the south. These things threatened the break-up and partition of China. Britain desired nothing less on earth than the break-up or partition of China. Had these been forced on, we would have had to look after ourselves in the Yangtse valley, the only region where maritime power like ours could make a stand.

But all that is long over. The "New York World" can safely take our word for it that no human being in this country has had the faintest notion of seeking any sort of exclusive sphere or rights in the Yangtse valley; and that any suggestions to the opposite which have been made to our contemporary contain not one atomic particle of truth. We are as flatly astonished by that suggestion as we are diverted by *Big Bill Thompson's* conviction that the present "King of England"—far madder and more nefarious than *George The Third*—is weaving conspiracies against the liberties of Chicago.

At the beginning of the century, this country was wholly at one with *John Hay* and *Roosevelt* for the "Open Door" in China. We never have had any other policy. We are in favor, like America, of the progress of China towards unity and prosperity on nationalist lines. We know that these ideals cannot be achieved without the steadying aid of the Treaty Powers. Their help never can be effective unless America joins and leads. We, like America, are utterly opposed to Bolshevism in China, just as *Hay* and *Roosevelt* would have been, because Bolshevism is a more real threat to their doctrine of the "Open Door"—to the whole political and commercial future of the Far East—than Tsarism ever was. Listen to *Bukharin's* latest lucubration:

"It is absolutely necessary to drive out the Imperialists from China, which is possible by subtly taking advantage of the discords amongst the Imperialists. Then confiscation and nationalisation of the heavy industry, the textile industry, the railways, mines and land, and the banking system, will be comparatively easy."

There you have it—the complete programme of the world-revolution on Communist lines, seeking first to make China and its 400 millions of people an economic annex of the Soviets. America, like every capitalist State, is included amongst the Imperialists. The necessary discord amongst those foolish States means chiefly discord between Washington and London. We assure *Senator Borah* that we are not writing in the interests of some unholy harmony between Wall Street and Lombard Street. The aim of the extremists at Moscow is the or-

ganised expulsion of Western enterprise from China—an aggression unparalleled of its kind in history. But we cannot quite see *Bukharin* and *Radek* "subtly" manipulating *Mr. Coolidge*, who is not of that kind. There was no Alliance when America and Britain stopped the plans for the partition of China, and worked together for the Open Door. No Alliance is needed now. But because of a genuine identity of permanent views and interests, co-operation is as natural and necessarry now as it was then.

Again, America, Britain, and Japan are about to confer on the limitation of armaments. They can solve part of a problem which once more has baffled Geneva. Armaments exist in relation to danger. Limitation of armaments depends vitally on co-ordination of policies. But Far Eastern affairs are of life-and-death concern to Japan. Tokio, as much as Washington or London, desires to avoid all violent action in China. Then what could do so much to promote agreement on armaments as an agreement on general lines of Chinese policy such as might mean a real turning-point for the better in the history of the post-war years? Two-thirds of the world are in effect completely beyond the influence of Geneva, and the League as it stands is no substitute for Anglo-American co-operation.

## DR. SUN'S PRINCIPLES AND SOME CURRENT PRACTICES!

ONE HEARS much now-a-days about the principles of Dr. Sun Yat-sen as being the guiding spirit of the Kuomintang, but we are beginning to have increasing difficulty in believing that all those who profess allegiance to the 'principles' are really actuated by motives which the late Dr. Sun Yat-sen would recognize. What we have in mind are some recent cases of extortion allegedly by persons said to be more or less intimately connected with the Nationalist movement, which do not appear, on the surface at least, to be much different from practices which prevailed under the old military dictatorships which the Nationalists are supposed to have supplanted. On Tuesday, June 20, the *Kuo Wen* news agency, which is connected with the Nationalist Government at Nanking, issued a statement to the effect that an order has been issued by the provincial authorities to release all 'innocent' prisoners taken from the gentry class and various community leaders "at the instigation of the Communist Party previous to the movement for the purification of the Kuomintang on April 15..." Whether the cases which have been brought to our attention come under the heading above, we do not know, but here they are:

*Yung Chung-king*, prominent owner of flour and cotton mills at Wusih, Kiangsu, arrested and order issued for confiscation of properties, allegedly on information supplied by a former employe to the effect that Mr. Yung had advanced money to Sun Chuan-fang, former controller of Kiangsu. Mr. Yung is reported to have been forced to 'contribute' the sum of $250,000 in order to obtain his release.

*Hsu Pao-cheng*, wealthy merchant of Kiangyin, owner of cotton mills and other properties in Kiangsu. Mr. Hsu's second son was kidnapped at the Kiangwan race course on the grounds that he was a 'communist' and according to report the father was forced to put up the sum of $670,000 to obtain his son's release.

*David W. K. Au*, secretary and director of Sincere Department Store in Shanghai. Mr. Au's 3-year old son was kidnapped, allegedly by an officer in the Nationalist army and Mr. Au has been requested to 'donate' the sum of $500,000 in order to obtain his son's release.

*Fu Siao-en*, president of the China Merchants Steam Navigation Company, banker, ex-chairman of the Chinese General Chamber of Commerce. An order has been issued for Mr. Fu's arrest and according to report, his properties are to be confiscated on the grounds that Mr. Fu advanced funds to Sun Chuan-fang and also permitted Sun to use the ships of the China Merchants Steam Navigation Company in the transportation of troops.

Two of these cases are purely political, the allegation being made that help was extended to the enemy. In the other cases it looks like pure extortion by subordinates in the Nationalist army or some of the branches of that organization. None of the cases are likely to make foreigners feel any too favorably toward an early relinquishment of extraterritorial rights. Many persons dismiss these incidents by saying, "That's the regular Chinese way of raising money," but assuredly it's not the right way, particularly in view of the Kuomintang's demands for equality in the family of nations. We believe that it was Mr. Tong Shao-yi, venerable member of the Kuomintang, who once made the statement that China should modernize her courts and administration of justice, not because the foreigners demanded it, but because it was the right of the Chinese people. This statement by Mr. Tong has a special application to the subject under discussion. Certainly we do not wish to imply that Gen. Chiang Kai-shek, Dr. C. C. Wu, Mr. Hu Han-ming or any of the other leaders in the Nanking Government have had anything to do with the practices referred to above, but the fact that they are going on under the local Kuomintang regime, tends to bring the whole movement into disrepute. If any of the victims referred to in the foregoing have been guilty of crimes, they should be punished, but only after their guilt has been proved in a regularly constituted court by due process of law.

## MUST HAVE BEEN A GREAT PARTY

THE following graphic description of the ceremony whereby Marshal Chang Tso-ling was made a 'Generalissimo' of the Ankuochun, was sent out by the Japanese *Toho* New Agency on Saturday, June 18 and appears here just as it was written, the only thing which *Toho* omitted being the applause of the Assembled Foreign Diplomats:

(Toho News Agency)

Peking, June 18.

Leaving the Shunchengwanfu, Generalissimo Chang Tso-lin's headquarters, at 2.40 this afternoon, accompanied by 26 motor-cars of members of his staff and his bodyguards, Generalissimo Chang Tso-lin dressed in a full uniform of the Generalissimo, with a smile of triumph drove a motor-car under the burning Sun to the Huaijentang, the place where the ceremony of his assumption of the new duty to be held, through a crowd who gathered to see the grand procession and troops which were stationed on the route to guard their chief and saluted as the procession approached. Generalissimo Chang Tso-lin arrived at the Huaijentang amidst the ovation of civil and military officials while the music is going on.

After a brief rest, accompanied by leaders of the Ankuochun including Generals Sun Chuan-fan and Chang Chung-chang, and prominent politicians such as Mr. Liang Shih-yi, Mr. Wang Ta-shih, Mr. Yeh Kun-cho and Mr. Lu Tsung-yu, Generalissimo Chang Tso-lin made his appearance in the hall of the Huaijentang and facing the South, he read a written oath at 3.25. The ceremony was over at 3.30. Several aeroplanes flew over the city to congratulate the day.

The written oath read by Generalissimo Chang Tso-lin is as follows:

At this grand opportunity for assuming the duty of Generalissimo of the Republic of China, I, ChangTso-lin swear that I will devote myself to strengthening the republicanism, extending the will of people, adjusting the domestic af fairs and to promote the friendly relations between foreign countries.

(Toho News Agency)

Peking, June 18.

Generalissimo Chang Tso-lin delivered at the Tea-party of the Waichiaopu this evening, which was attended by representatatives of the diplomatic Corps, as follows:

"I have been installed to the Generalissimo but I have not sufficient knowlege of politics or enough dignity to deserve such a high position. And yet I have sincere hope

to devote myself to adjusting the domestic affairs, renovating the diplomatic policy and to promoting the welfare of the Chinese people. I hope that the Powers could be kind enough to teach us with a friendly attitude, instead of interfering with what we intend to do.

"As to the war situation, though we have shorten the lines according to the tactics we adopted newly, as we have still five or six hundred thousands of troops under the command of Generals Sun Chuan-fang, Chang Tsung-chang, Wu Chun-sheng, and Chang Tso-shang, we are determined to fight against the Southern troops until we can attain the object of exterminating the Reds."

## WELL, GUESS WE WILL NOT SEND A GUNBOAT!

UP IN CHANGSHA, capital of Hunan province, they have a very diligent censor in the Chinese post office. We assume this to be true because we have received a notice from the post office in Shanghai stating that the censor in the Changsha office has held up the delivery of *The China Weekly Review* since our issue of April 30. Before the foreigners evacuted Changsha we had some 25 subscribers in the Hunan capital, but since the foreigners got out the number has dropped to about a dozen, all Chinese. Now the censor is on the job and we have no readers at all in Changsha, that is, with the exception of the censor. We have examined rather closely our issue of April 30 in an effort to find out what the censor in Changsha didn't like and believe we have discovered the secret on page 236 of that issue which contained a discussion of the split between Hankow and Nanking under the heading "Nanking Versus Hankow." In the center of the page was a photographic reproduction of Gen. Chiang Kai-shek's mandate impeaching the so-called Hankow 'communists.' When we first received the notice of the censor's action, we thought of sending a gunboat up to Changsha to enforce our treaty rights, but upon further consideration, decided, in view of the fact that we only receive $10 from each subscriber and the twelve in Changsha only netted $120 annually, that it would be imposing too much on Uncle Sam to ask him to go to such a great expense in view of the small amount involved. Furthermore, in view of the fact that we have always been opposed to the use of gunboats for collecting foreign grocery bills we must be consistent now, even though the shoe pinches our own toes. Also it is possible that our readers in Changsha need a little mental relief anyway in view of the strenuous efforts which have been made in Hunan province recently in the creation of the Millennium.

# Shanghai's Status, Past, Present and Future

BY G. W. M.

SHANGHAI and vicinity, at the moment, are just as peaceful, as say Chicago. There are no signs of military movements in this neighborhood nor any indications that mobs will form and cause damage either to life or property. Crimes of violence, committed by a habitually criminal class, are, however, matters of almost daily occurrence, and there is no sign that these will abate in the near future—rather the reverse. Most of the barbed wire entanglements have been removed, and Shanghai on the surface appears to be pretty much the same city as it was before. It is however on the boards that within the not distant future some vital changes will be made in the status of Shanghai, and as mentioned on previous occasions, and as the average foreigner in China realizes, these changes will not depend on negotiations locally, but on the decisions made in diplomatic circles in America and Europe, and such decisions will greatly depend on the reports which are made by independent observers as to conditions here. The extent to which experts in international law and jurisprudence have studied the unique situation existing here in Shanghai is probably not generally realized by the public, mostly of course because the reports made by these experts are more or less confidential. The *Review* has recently been permitted to see several such reports and we can, without violating any confidence, discuss some of the points that have occurred to such investigators.

THE FIRST thing that the investigator naturally wants to ascertain is what really is Shanghai's legal position not only with reference to China, but to the rest of the world. One investigator has come to this conclusion, after making an extensive study of the various treaties:

> "So far as the extraterritorial rights of the United Slates are concerned (and this is true likewise of other nations), if the Municipal government of the Foreign Settlement is not an arm of the United States government, used by it in securing the rights above mentioned to its citizens, and therefore subject to the control of the United States government, then, so far as the United States are concerned, the government of the Foreign Settlement has no connection whatever with extraterritorial law, and does not draw its existence, directly or indirectly, from those treaties."

The fact has been stated so often, but there still seem to be many people under a misapprehension: The Foreign Settlement of Shanghai is only "foreign" in the sense that it was originally set aside by treaty for foreign residence and trade. The Chinese, even in defeat, insisted that the "sovereignty" should remain with them, and to this day all owners of land in Shanghai pay a small tax—nominal in amount, but weighty in its significance—direct to the Chinese government, this being quite apart from the taxes which are levied by the Municipality, which it may be stated are very substantial in amount.

PROBABLY most people have forgotten it, but it is to be recalled that way back a decade ago at the Peace Conference in Paris the Chinese made demands for the restoration of foreign concessions and settlements in China. That request was refused, but the matter is now to the fore in a very pronounced manner. The International Settlement at Shanghai is not only the largest area set apart for foreign trade in China, but it is also unique in its government. The British have dominated the situation by reason of greater investments, greater solidarity, and also because they came first. At Hankow and Tientsin the various foreign concessions were individual units. Shanghai, with the exception of the French Concession, became international, principally because of America's attitude of refusing to accept any individual concession or settlement, while at the same time insisting on maintaining an independent attitude within the limits of the British controlled area. Thus we find that in 1863 an American missionary named Boone sponsored a movement to establish an American Settlement

in Hongkew, and the then Consul and local American residents proceeded to arrange for such a Settlement, but the authorities at Washington never ratified the action of the local officials. The next step was that a committee on roads which met in the American Consulate in September of that year, recommended that the management of Hongkew be transferred to the then existing Municipal Council of the British concession, and the amalgamation was effected the following month.

FOR a short period the French also came in under an arrangement to amalgamate, but eventually they decided to "go on their own", but with this exception, the other nationalities decided to throw in their lot with the British-American amalgamated area, and the result is that to-day Shanghai is a compact unit, instead of being split up into a number of small areas, some of which, through the fortunes of war or revolution or riot, have been returned to the Chinese, so that the communities of Hankow and Tientsin are a kind of crazy-quilt pattern as compared with Shanghai. In many ways Shanghai, like Topsy, just growed, and on the whole grew lustily and prospered. When the need for something to be done became apparent to those in charge of local affairs they frequently found that there really was no cut-and-dried legal provision covering the matter. The situation was frequently similar to that when President Jefferson purchased Louisiana when he said he "stretched the Constitution until it cracked." Shanghai's constitution is a rather loosely-worded and very brief document, known as the Land Regulations. These were originally adopted in 1854, radical y revised in 1869, and significantly amended in 1898. The original Land Regulations were made with the approval of a local Chinese official known as the intendant of circuit, whose relative rank was about the same as that of a Consul. When the time for revision came in 1898, the representatives at Peking of the various foreign Powers concerned, simply went ahead without first consulting the local Chinese officials. When the Regulations were amended in 1898 the Viceroy declared through the Taotai that the Land Regulations were of no interest to him, but "should be satisfactorily arranged between the Municipal Council and the Consular Body."

WHO really has governed Shanghai has always been a sort of mystery, even to most of the residents in Shanghai. The average resident, even though a qualified ratepayer, took little interest in local affairs. It has frequently been difficult to secure a respectable attendance of ratepayers at the annual meetings. About the only time the average ratepayer took any interest in the meetings was when there has been a proposition to increase the tax rate. The tax rate, incidentally, has been mounting every few years, so that with the increased assessments, the exchequer of Shanghai has become a matter of very respectable proportions. Thus we find that the budget for the coming year is calculated on an income of more than fourteen million taels, or eight and a half million gold dollars. The function of the ratepayers is to put an O.K. or otherwise on what the Municipal Council for the past year has done and what the incoming Council proposes to do in the year to come. Almost without exception this O.K. has been given as a matter of course. When we examine the enormous amount of work entailed in managing a place like Shanghai, and bearing in mind the fact that the average Municipal Councillor has little time to devote to public affairs and is unacquainted with the past history of the points involved, the Municipal Council very largely follows the routine which has been suggested to them by the permanent staff of department heads. These are all very well paid, are under contract for a term of years, with terms expiring at varying dates, so that the permanent staff is really the anchor which holds the government of Shanghai to stability. For many years this staff worked assiduously to consolidate Shanghai's status, and the Secretariat was largely occupied with the question of maintaining the independence of Shanghai from all control by Chinese, and to use a slang expression "they got away with it" for years, until the May 30 incident served as a rallying point to the Chinese to break the long continued exclusive control of Shanghai by foreigners. That is the situation to-day, and the only point to be thrashed out is: "How much control will the Chinese get, and when?"

EVENTUALLY, of course, and in the not far distant future, the Chinese will get complete control of Shanghai. Quite apart from the matter of pride involved, Chinese officialdom looks with jealous eye upon the rich community of Shanghai and feels chagrined that it is unable to draw taxable revenue from it. It is not only that foreigners escape taxation by the Chinese authorities, but so also do wealthy Chinese. When, of course, public sentiment is aroused against any particular wealthy Chinese he is privately given the hint to "cough up," and quite frequently after he has done so he finds that he has gotten himself into hot water with another or newer faction because of his contributions given previously, which in many instances, were not given voluntarily, but in fear. Just what the Chinese authorities will do in the matter of taxation when they once secure control of the Settlement is hard to prognosticate, but they doubtless have their eyes on some of the large estates under the British flag, which under existing conditions enjoy a most unfair advantage. These estates have become wealthy primarily because of the foreign protection that has been given to this Settlement, paid for by the taxpayers in Europe and America. The owners of these estates year by year calmly kept on increasing their rents, chuckling over the fact that unlike their brethern in England they did not have to pay income tax. Now, however, in accordance with the recommendations of the Commission on Extraterritoriality, the Powers have decided that their nationals residing in China must pay taxes to the Chinese Government, so it is obvious that these large estates, some of which had their inception in the opium traffic, will no longer enjoy the special privileges to which they have been accustomed in the past.

IN VIEW of the fact that a change in the status of the International Settlement shortly is one of the few certainties in the present situation, it is of interest for residents of the city to consider the question, "Just who is benefitting by maintaining the present status of the foreign area?" The first answer, obviously, is the proprietors of the large estates referred to in the foregoing. They benefit because the maintenance of foreign control gives them a sort of monopoly which will pass when pass the foreign control is removed. The next class that benefits by the maintenance of the present status, is the large group of foreign employes of the Settlement itself. When foreign control is removed, or relaxed, it is certain that many of these high-salaried men will have to go, the reason being that it will be possible to find Chinese who can do the work at less cost. From the standpoint of the foreign trader, which class makes up the majority of the foreign residents, it is

extremely questionable whether the maintenance of the present status of the foreign settlement helps him in the slightest. Certainly he obtains a certain amount of security for life and property when political conditions are disturbed, but under ordinary conditions it doesn't make much difference whether foreigners reside within the foreign areas or not—witness the missionaries and more particularly the Germans in recent years. When the status of Shanghai is changed, or even when there is a threat of change, there is always a great smoke of opposition raised against modification. It is well for the public generally, and particularly those whose livelihood depends upon trade, which in turn is dependent upon friendly relations with the Chinese, to know who is responsible for the opposition to change. Thus the situation is clarified for all. It is assumed of course, that, when the status of the Settlement is changed, the Powers will make a serious attempt to obtain guarantees respecting security of life and property but since, as is indicated above, there seems to be no connection between extraterritoriality and the question of the status of the Settlements, the average foreigner should be able to face this question with more confidence.

# Present American Feeling About China*

BY GROVER CLARK
(*Editor The Peking Leader*)

EVERYWHERE I went on my recent trip to the United States I found the view expressed that the United States should carefully refrain from doing anything which might seem like intervention in Canton or which would interfere with the development of China as an independent, fully sovereign nation controlled by the Chinese people themselves. The feeling, as I sensed it, went even further than this. I believe it is safe to say that the American people not only want to see China orderly, free and independent in the fullest sense but that they would like to see the American Government and American citizens do whatever is possible to help the Chinese solve their domestic problems along lines which will be acceptable to the Chinese people. There is some disagreement as to just what Americans can do along these lines. Except for a very few individuals, however, the feeling is overwhelmingly as I have indicated.

Most of the people in the United States, of course, know relatively very little of the details of conditions in China. They have what can properly be called a sentimental though real feeling of friendliness toward this country, but no clear knowledge. There are a good number, however, who do understand something of what is happening out here, some in detail and intimately, some only in general terms. Practically all of both the informed and the uninformed have a strong friendly feeling.

### The Obligations of Equality

Yet, particularly among those who are somewhat in touch with conditions here, certain questions are being asked. The Chinese people are demanding international equality, the abolition of the "unequal treaties," the cancellation of the various special privileges of the foreigners, they say. But, they ask—and ask with a real desire to find an answer which will be practical and friendly to China—how can China expect to have international equality until the Chinese get their country sufficiently straightened out so that China can meet the obligations of international equality as well as enjoy its rights?

This question of China's developing the ability to meet international obligations if she is to enjoy international equality is a very real one in the minds of even those who are most friendly to China. Let me give an illustration.

### Personal Safety

Under the provisions of international law which are generally accepted among the western nations with which China seeks equality, it is recognized that a foreigner who has entered a country in accordance with the existent treaties is entitled to personal safety. It is assumed that the Government of the country in which the foreigner lives is responsible for providing that safety. On the basis of treaties between China and the United States, Americans are living in China. The Chinese authorities have promised them full protection. But, unfortunately and for reasons which are only indirectly pertinent to the point here, these promises have not always been kept.

This is one of the questions that are being asked in the United States: How can the Chinese expect full international equality until they are able to meet this particular international obligation to insure personal safety to foreigners?

### Debt Payments

Let me give another illustration.

It is generally accepted that a concomitant of international equality is the obligation to pay regularly incurred debts. In good faith and with confidence that China would meet this obligation, Americans have loaned money to the Chinese Government or furnished equipment and supplies of various kinds on credit. Many of the debts thus incurred are far in arrears. There is, as I sensed it among the leading financiers in the United States, no desire to see pressure put on China for the immediate payment of these debts, though ultimately, when China settles down, the question of payment will be raised. But those who know of these transactions—and China's failure to pay her debts is widely known—are saying: "China wants international equality. What about this international obligation to pay legitimately incurred debts?"

### Protection Of Property

Nor is this all.

On the basis of treaties which have been made in the past, a good many foreigners and Chinese—many more Chinese than foreigners—have built up financial investments, bought land, developed trade in China. One of the international obligations generally recognized is that to protect legally-established property rights. Unfortunately again, such rights, whether of Chinese or foreigners, are not always protected in China. Americans are not as such concerned with whether Chinese legal rights are protected, except as the absence of such protection raises the question of whether American property rights will be protected.

Hence another question is being asked: What can be done about international equality for China until she herself is in shape to meet this international obligation of protecting legitimately-acquired foreign property interests?

### Unilateral Cancellation Unfair

In this connection there is another difficulty, and another question. Fairly large Chinese and foreign property and financial rights have been built up on the legal foundation of the present treaties. To wipe out these treaties—*i. e.* to destroy this foundation—before new treaties are negotiated which will provide a new legal foundation for these legitimately-acquired interests, obviously would be unfair to the Chinese as well as to the foreigners concerned. And it should be remembered that the Chinese interests which rest on the treaties are much larger than the foreign.

Treaty readjustment is needed—on a basis which will give the word "mutual" as much weight as the word "fair."

### Negotiate with Whom?

This obviously means, for example, that unilateral denunciation of the treaties is not the way out. Negotiations looking toward new treaties which will be fully equitable and reciprocal are needed.

It is gratifying to observe that the more responsible moderate leaders in China are calling for treaty negotiations instead of demanding unilateral cancellation by China.

Here, however, arises another question—and a very real one: what authority or authorities are there who can speak for the bulk of China now in negotiating new treaties with the United States?

This question was prominently before the Secretary of State in January of this year, for example, when he was considering a new statement of American policy toward China. At that time Peking and Hankow were the seats of two rival Governments. If the United States started negotiations with Peking, Hankow would have been angry and, to judge from its earlier statements about the activities of the Customs Conference, might have refused to accept any agreement which would be reached. If negotiations were carried on with Hankow, Peking would have been indignant.

You will see at once that the difficulty was far from imaginary. The British negotiated with the separate Governments on certain specific questions arising with the territory which each controlled. The United States, however, had only general matters to negotiate; matters which required negotiation on the basis of China as a whole. The problem for the

*An address delivered to the students of Yincheng University. Mr. Clark has just recently returned from an extensive tour of the United States.

Americans therefore was different from that for the British.

**Delay Due to Absence of Chinese Authority**

The question of starting negotiations with China was discussed seriously and at length in Washington. On the basis of information which I received, I say advisedly that the delay in starting negotiations for a whole new set of treaties between China and the United States has come only because of the disturbed conditions and the absence of a single stable Government in China, not because of any lack of willingness on the part of the American Government or the American people to readjust Sino-American relations along more mutually equitable lines.

**Something Further Was Possible**

I would add, however, that I felt that the American Government might have gone one step further during the past winter in the direction of treaty readjustments. While I was in the United States I pointed out, in speeches and articles, some of which have been reprinted in *The Leader*, what further, in my opinion, could be done.

On the basis of formal governmental organization as it is generally understood in the West, I said, there is no Government in China with which to negotiate. But underlying the political and military differences in China there is a strong, united and nation-wide public opinion demanding the readjustment of treaty relations with the foreigners. Because of the strength and unity of this feeling, and because the basis of Chinese political organization is so different from that of the West, a course of action is possible in dealing with China different from that required in dealings between western nations.

**Ask for Negotiators**

I suggested that the American Secretary of State well might address a note direct to the Chinese Minister in Washington—with whom he has official dealings as China's representative—saying that the United States is ready at once to begin negotiations with representatives of China, and asking that the Minister arrange for the early appointment of delegates representing the people and authorities of this country.

I felt because of the nation-wide unity on the question of the treaties, the principal Chinese factions would be ready to agree on a delegation for such negotiations, so that negotiations with representatives of China as a whole actually could begin without much delay. I also was convinced that, in negotiations carried on on a basis of mutual equity and full reciprocity, the Chinese themselves would be ready to make such arrangements for providing whatever special protection for foreigners and legitimate foreign interest might be needed in view of the disturbances in this country. I urged, too, that reasonable and fair provisions worked out by mutual agreement would be accepted by the Chinese in spite of the absence of a single nation-wide authority—and that such provisions, agreed on in negotiations conducted in a spirit of friendly mutual equity and reciprocity, would in reality have more binding force than the present treaties against which there was so much opposition.

**Make American Position Clear**

In any case, I said, even if the Chinese did not appoint delegates, the position of the United States would be clear. Pleasant generalities about doing something when China had a stable Government, would have given way to a clear and specific statement that the United States wanted to begin the negotiation of new treaties at once. The Chinese themselves and not the United States would be the ones to decide whether they were sufficiently united to send a delegation representing the country as a whole.

The difference between such a direct statement and request to the Chinese Minister in Washington and a general statement to the world at large was perhaps more psychological than technical. But I felt strongly that the problem was primarily a psychological one, and that a move of this sort by the American Government would have a very great psychological effect for good on Chinese feeling toward Americans and other foreigners.

This proposition received very wide support, on precisely these grounds. Even Dr. Stanley Hornbeck, who is inclined to conservatism, felt that, in January, action along these lines was desirable. Unquestionably a note to the Chinese Minister of the sort I suggested would have been approved by a large part of those who were in touch with conditions in China.

**American Authorities Sincerely Friendly**

While intimating that something more might have been done by the American Government, however, I wish to make it perfectly clear that I do not in any way question the sincerity of the desire on the part of the American Government officials for better and more friendly relations with China. They were faced by a very real and difficult problem. They acted in good faith in a way which seemed to them the best in the circumstances. Of the reality of their desire to find a way out of the impasse which now exists in Sino-American relations there can be no question.

**"Unequal Treaties" Not Chief Difficulty**

Americans find it somewhat difficult to understand the Chinese attitude on another point. They do not quite see why the statement should frequently be made that the primary cause of the difficulties in China is the fact that foreigners have certain privileges here under the old treaties. They are disturbed and puzzled by the anti-foreign agitation on this ground.

In answering questions with regard to this, while I was in the United States, I said that the feeling in China more properly could be called "pro-Chinese" than "anti-foreign." In my opinion, I made it clear, there is a tendency in China to over-emphasize the importance of treaty limitations on China's freedom as the chief cause of the trouble from which China is suffering. The existence of these treaties is one of the troublesome elements in the situation, I said, but the root of China's troubles lies in her domestic conditions.

**"Sore Spot" Removal Desirable**

Continuing, I said that I did feel—and I would repeat this out here—that it is highly desirable to remove the grounds for Chinese opposition to the treaties just as soon as this can be done through negotiation of new treaties or by other processes which will be mutually fair. The present treaties are a sore point to the Chinese, and this soreness distracts attention from the more important domestic problems. The clearing up of the treaty situation also would take most of the wind out of the sails of the extremists in China and materially strengthen the position of the moderates, who want full independence for China but who also want to see this achieved by orderly methods instead of by violence.

It was on this basis, as an American citizen interested in better relations between my country and China and as a friend of the Chinese interested in seeing them turn their attention to what seemed to me China's fundamental problem —that of domestic reorganization—that I urged that the American Government do its utmost toward getting the Sino-American treaties revised so as to put them on a basis of full mutual equity and reciprocity.

**Desire Mutual Justice**

Many others joined with me in this desire. We did not feel that the existence of the "special privileges" for Americans was the chief or even a very important cause of the troubles in China. But we wanted to see this "sore spot" removed, as a matter of international good will and so that Chinese attention might be focused on China's domestic problems. We wanted, also, not the immediate and unilateral cancellation of the Sino-American treaties, nor any other action which would be essentially unfair to Americans or Chinese. Instead, we desired early negotiation on the whole complex question of Sino-American relations so as to lay new foundations for these relations—foundations which would insure *mutual* justice and consequently *mutual* friendliness.

I am convinced that both the authorities at Washington and the American people generally want to have Sino-American relations put on a new treaty basis. There are differences of opinion and judgment as to how this can be done. But, as I already have remarked, the only reason new treaties are not now being negotiated is the continued absence of a responsible Government here in China with authority to speak for the whole country.

**The Students' Part**

Let me turn for a moment more specifically to your part in the solution of this general problem.

As Chinese, you students of course are much interested in bringing order in your country for the sake of your fellow citizens. Quite apart from this, you also are interested in removing what you call the "special privileges" of the foreigners. You have done much to awaken not only the Chinese but foreigners to a realization of the fact that the Sino foreign treaties need revision. This is a real achievement.

Let me assure you with the utmost possible emphasis, however, that from now on you will accomplish much more, even toward changing the treaties, by insisting that China's basic problem is domestic than by putting the chief blame for China's troubles on the so-called "unequal treaties."

You students here in Yenching have shown that you realize something of this. In a manifesto which you addressed the American people not long ago you put as the first object of the young people of China the overthrow of the militarists and the establishment of an orderly, civil gov-

ernment. Your second object you said, was to secure the cancellation of the special privileges of foreigners. It was encouraging that you should have put the establishment of orderly government first. In this you were quite right, because desirable as it is to readjust the treaties, the surest road, let me repeat, to the cancellation of the special privileges of foreigners in China is to secure stability and order in your domestic affairs so that the absence of responsible authorities representing the whole of China no longer will be a stumbling block in the way of treaty negotiations.

**Put China's House In Order**

Unilateral cancellation of the treaties would be, as I have pointed out, seriously unfair to many Chinese as well as to foreigners. You do not want to be unfair. Create conditions in China such that there will be some reasonable prospect that China will be able to meet her international obligations, and the difficulties in the way of securing full international equality will disappear as the mist before the rising sun.

Let me add that this is not something new I am saying. For several years I have told my students at the National University, and have urged in editorials in *The Leader*, that the chief problem of the Chinese in clearing up their foreign relations was to put their own house in order. I repeat this after my trip to the United States, and repeat it with added emphasis, because, as a result of my renewed contact with American opinion, I am more than ever convinced that, in so far as the United States at least is concerned, nothing would be more welcome than an opportunity really to get the difficulties in Sino-American relations out of the way by the negotiation of a new set of treaties on the basis of full mutual equality and reciprocity. By far the largest stumbling block in the path of such negotiations is the fact that China does not now have an orderly and responsible Government.

**Americans Want China Peaceful**

Practically all Americans are eager to see the Chinese put their house in order. Some want this because they know that an orderly China would be a much better market for American goods and a better source of raw materials for American manufactures than the present disturbed China. Others desire it out of friendliness for the suffering Chinese people themselves. Both of these groups really do want China to be independent and free. They would be delighted to see China with 500,000 miles of railways, with excellent schools everywhere and all the children in school, with business thriving and everyone prosperous. Practical as well as sentimental reasons put America decidedly on the side of desiring peace and order in China.

Americans would like to see peace and order out here as soon as possible. But those of them who know anything about China realize that this country now is passing through a process of far-reaching reorganization and readjustment to new conditions of life. There is no desire to interfere in this process, though there is a real wish to help if possible. The feeling is growing, however, that after all no one but the Chinese themselves can straighten out Chinese affairs, and that while Americans may be able to help, this help, to be really worth while, can be only in forms and along lines which the Chinese themselves desire.

**Withdrew to Lesson Difficulties.**

There is a wide-spread desire, too, to base American actions in China during this period of disturbance not on the enforcement of technical "treaty rights" but on the basic equities of the situation. This is why Americans have been withdrawn from places of prospective danger. Their presence in such places might cause embarrassment and additional responsibility for the Chinese officials during this period of disturbance. Hence, it was felt, it was better that Americans withdraw temporarily from danger areas. Such withdrawal was not motivated, in most cases, by cowardice or a lack of dignity. Instead, the primary desire was friendly—to make things easier for the Chinese themselves by removing one of several possible causes of additional responsibility and friction.

Nor is there, in the United States, any undue impatience at the delay in the achievement of order in China. Americans do not expect, for example, that all disorder and confusion will be ended by January 1, 1928.

**Looking for Hopeful Signs**

Many Americans however, are looking eagerly for definite signs of developments toward ultimate order. This was why there was so much interest in the Nationalist Movement. The feeling seemed pretty general that here at last was a party with a definite program, a group of men who not only had ideas as to what ought to be done but who had the ability to carry out those ideas, men who were working for some purpose other than their own selfish advancement.

Then came the Nanking incident, and immediately the Americans began to say: "Well, after all, does this Nationalist Movement mean anything different from the older squabbles? Is it really constructive. Is there any change from a military clique that is trying to get personal power?" Hope changed almost over night to disappointment among a great many people as a result of the Nanking incident and the troubles at Shanghai and Hankow.

In spite of this disappointment, however, Americans generally are still hoping that some group soon will come forward with a definite constructive program and the capacity to carry it out. If the Nationalists prove to be this group, they will be welcomed. If they do not, whoever does put China into something like order, with a Government that really can speak for the people of the country as a whole, will find a most sympathetic and friendly feeling in the United States.

**End Disorder, And Treaty Difficulties Easily Solved**

But as long as conditions remain as they are in this country, any thorough-going change in Sino-American treaty relations will be difficult—not because the American people and the American Government do not desire such a change but because of the practical problem of finding someone who really can speak authoritatively for China as a whole in the negotiation of new treaties.

I say that under present conditions such a thorough-going revision of the Sino-American treaties will be difficult, though it is perhaps not impossible. It is certain, however, that if China's house were in order, if militaristic disturbance had ceased, if peace prevailed throughout the country and a stable and responsible Government were in charge of political affairs, not only would the revision of the treaties on a basis of full mutual equity and reciprocity be easy but all the other international handicaps under which China now labors would be removed and China would be welcomed into full international equality.

The American Government and the American people, I am convinced, are hoping that the day of order and stability will soon dawn here in China. They are looking eagerly for the first clear signs of such a prospective dawn. Are you students, with all your fine patriotism and your eager enthusiasm, ready to do your part to see that this dawn comes soon? If you are, you will turn your political interest and activities toward the solution of what is today China's basic international as well as domestic problem: the problem of bringing peace and order in your own country.

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## The Battle Hymn of the Nationalists

The troops of the Nationalist Army, whose victories over the Northern forces, are gained despite inferior equipment, go into battle with a Marseillaise of their own, a free translation of which is as follows:

The blood of the Revolutionists, red as the flowers of spring; all for sacrifice, ever onward!

The blood of the Revolutionists, surging like the angered waves; comrades in Revolution, ever onward, ever onward!

Militarists, the people's foes, are seeing their last day; great victory to the Revolutionary army!

Feudal derelicts, defeated and in flight; great victory to the Revolutionary army!

The work of the Revolution is not completed yet;
Peking is there! Lest we forget!
China unified; progress and felicity unlimited!
One and all, peace, security, and happiness!
Long live the Revolution!

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**Patriotic Demonstrations In The Nanking Capital**

*(See Illustration on Next Page)*

*Top, left.* Gen. Liu Va-tao, addressing mass-meeting held in celebration of Chiang Kai-shek's victory ever Sun Chuan-fang and Chang Chung-chang in northern Kiangsu. *Top, right.* Some of those who attended the massmeeting. Just under this picture is a view of the anti-Japanese demonstration held in in Nanking against the landing of Japanese troops at Tsingtao. *Center, left.* Another view of the mass-meeting held in Nanking to celebrate Chiang Kai-shek's victories over the Northern militarists. *Center, right.* Miss Soume Tcheng, judge of the Shanghai District Court on the speakers' platform at the Nanking mass-meeting and next Miss Tcheng is Gen. Liu of the Nanking Government. *Bottom left.* Anti-Japanese poster showing Nationalist troops attacking the Japaness troops as they set foot on Chinese soil at Tsingtao. *Bottom, right,* This picture shows three posters, the one on the left being anti-British and the other two anti-Communist. These pictures were all snapped by Alfred de Crosse, an American connected with the Central-Political Department Nationalist Government at Nanking.

**Patriotic Demonstrations In The Nanking Capital**

(*See Description on preceding page*)

# "What Price, Nationalism?"

BY THOMAS EDSON ENNIS
(*Manager, Chung Mei News Agency, Peking*)

NATIONALISM is one of the most inconsistent psychological phenomena evident in the modern world. Yesterday mankind fought, and bled and died for their feudal masters. Last night-seemingly in the honeymoon of the West, men rent men over theological disputes. Today the virgin birth and predestination have been pushed under ground and virtuous murder is done in the name of "nationalism", and the youth of the universe let their blood drip on its reeking altars.

England possesses "nationalism", so does the United States, France, Japan, Soviet Russia. All the little mud-puddle states on the Russian border, in the Balkans and those carved out of the old Austrian empire likewise have it. Here has gone on or is potentially ready to continue in the morning's press, an unlovely cutting of throats, more refined than in the days of the Inquisition because of the advent of machine-gunnery and gaseous clouds. To this China will soon add her terrific weight. And then, may the gods have mercy for this old globe.

China is going "our way" and India will not be long in following. Then, national face and national honor and national glory will run ironclad over the earth. A "war to end all war" will ensue by leaving none but old men and the mental and physical misfits. This will come about unless we convert nationalism into internationalism.

All were justified in retaining a "my-country right or wrong air", when the enemy was on the borders and it was probably an excellent thing for the future rights of the individual in relation to society as a whole. It was part of the should West's discipline as well, that he submerge himself in a great cause for the mother or the father-land.

### History of Nationalism

England did very well for herself when she discovered as a spokesman Henry VIII, who informed the Holy Father what that fine old patriarch did not wish to hear, mainly, that England, with Henry aiding, was capable of taking care of herself without any assistance from Rome. The beginnings of England's palpable benevolent power was created at this time in a universe that was about to become what we call "modern".

Peter, the hardy Russian, drove into the minds of his councillors the necessity that a window be opened to enable his peoples to look out upon Europe. The capital, consequently, was moved from the interior to the coast and the Russian Empire was turned from the Orient to the West, from Eastern thought into occidental action.

The United States began to do a little thinking for itself-that is, a group of humble laborers-blacksmiths, tailors, and the like, inspired by a radical aristocrat called Washington, tweaked the lion's tail in 1775.

France and the rest set out upon what was thought to be a halcyon ocean of National growth, bound for the ports of omnipotence and wealth. So they did, and reached the position they are in today which some characterize by asserting that the world would have been the better with the reality of a Holy Roman Empire, ruled by militant scholars in the Vatican who might have salvaged the western portion of the universe from total extinction.

What we are suffering from is illogical nationalism, patriotism, 100 per cent-ism. The White Man's burden was a superb manifestation of altruistic selfishness in its heyday. It built Hongkong and Shanghai and Tientsin as well as a score of other places scattered on the map, built where dirty fishing villages once sprawled out in the sun. And the same can be said of the American passion for sanitation in these quarters where the poor natives were living and dying like a fly of the hour. But to be consistent in the White Man's Burden and the lust for cleanliness would mean development along these lines without too much education. A campaign to leave the natives in their native ignorance might have done the trick. But trade came and native clerks had to be trained to sit in the white man's office and sentimental men of God had their way with business chiefs and gentle old women put their spare cash into the palms of earnest professional religionists. As a result we see the birth of modern educational institutions in "backward places."

The trouble seems to have started in the West although none of the early adventurers, soldiers, politicians and an occasional statesman, had any conception of the swamps into which their nephews and other peoples, nephews were to sink their feet. The Orient resents being consistently patted upon the head when a precocious son shows signs of taking unto himself the garb of the west and sulks into rebellion overt or submerged-when spanked for doing something not in accordance with the divine scheme as evinced in the White Men's Burden philosophy or the quest for purity in feeding the baby or cleaning out the city gutter.

This translated into every day terms borders so close upon our bug-bear "imperialism", that slight difference is viewed. Its fullest flower is seen in the United States and Great Britain. Its brutal clankings were felt in Germany and are now being spoken in Italy with words that put to the blush all the tirades of Professor Treitschke and Bernhardi of the late German Empire. The Italian Corradini says: "Italy will become once more the first nation in the world". Rocco exclaims: "It is said that all the other territories are occupied. But strong nations, or nations on the path of progress, conquer territories occupied by nations in decadence". Luigi Villari is delighted that the "cobwebs of mean-spirited Pacifism have been swept away. Italians are beginning to feel, in whatever part of the world they may happen to be something of the pride of Roman citizens." Again Scipions Sighele writes: "War must be loved for itself. To say "War is the most horrible of evils', to talk of war as 'An unhappy necessity', to declare that we should never attack but always know how to defend ourselves', to say these things is as dangerous as to make out-and-out Pacifist and anti-militarist speeches. It is creating for the future a conflict of duties; duties towards humanity, duties towards the Fatherland". There is no doubt which "duty" comes first in this ardent nationalist's heart.

Corradini explains the plan of the Italian Nationalists, the group now surrounding the hero Mussolini. He says: "All our efforts will tend towards making the Italians a warlike race. We will give it a new will; we will instil into it the appetite for power, the need of mighty hopes. We will create a religion, the religion of the Fatherland victorious over the other nations."

This is not Germany, remember, nor is it 1914 but spoken in 1923. Men had forgotten that there had been far more to the Great War than brute will to power, the desire to wipe out all enemies, real or supposed. Woodrow Wilson, and the poets of the front line from Rupert Brooks in England to that American dying in the French Legion, Alan Seeger, sang of more than two-fisted he-men "rocking the foe to sleep" with a fist the size of a ham.

### The Spirit of Internationalism

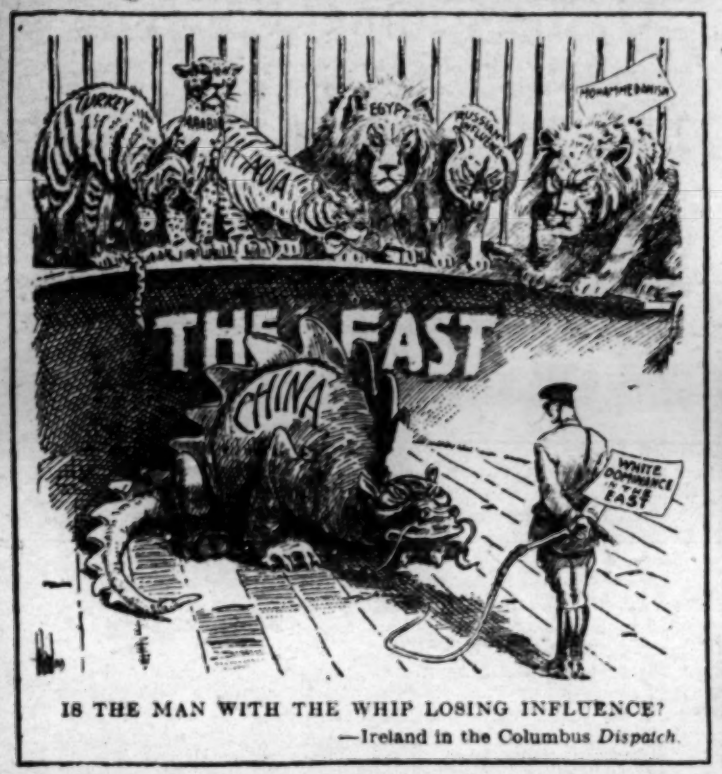
The United States soon laughed at the man who had gone through Belleau Woods with the 5th Marine Corps and forget that a manifesto had even been written by a group of American intelligentsia, business men, and labor leaders, on the eve of Wilson's departure for Paris. This group realised that something must be done to bring about an economic code or spirit of amity between nations and force each country to sacrifice sovereignty to the general need of the entire body of organised society. If this were not done, the spirit of nationalism would soon wreck the universe. It was coherently stated in this now unknown letter given to the man who had hopes of giving something to Europe and came away to die: "The underlying assumption heretofore has been that a nation's security and prosperity rest chiefly upon its own strength and resources. Such an assumption has been used to justify statesmen in attempting, on the ground of the supreme need for national security, to increase their own nation's power and resources by insistence upon strategic frontiers, territory with raw material, outlets to the sea, even though that course does violence to the security and prosperity of others. Under any system in which adequate defence rests upon individual preponderance of power, the security of one must involve the insecurity of another, and must inevitably give rise to covert or overt competitions for power and territory, dangerous to peace and destructive to justice.

"Under such a system of competition as opposed to co-operative nationalism, the smaller nationalities can never be really secure. International commitments of some kind there must be. The price of secure nationalism is some degree of internationalism.

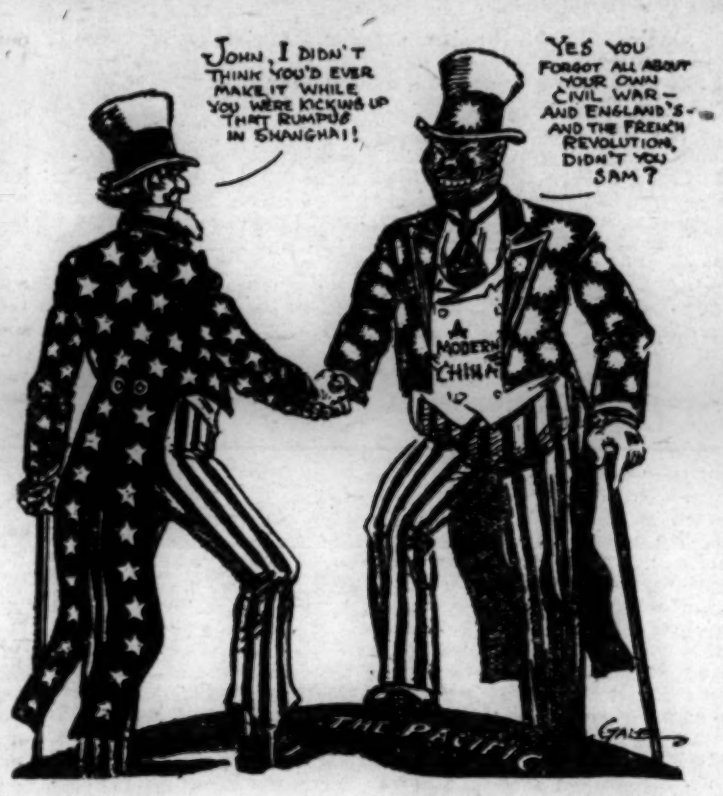
"It is obvious that any plan ensuring national security and equality of opportunity will involve a limitation of national sovereignty. States possessing ports that are natural outlets of a hinterland occupied by another people, will perhaps regard it as intolerable invasion of their independence if their sovereignty over these ports is not absolute but limited by the obligation to permit of their use by a foreign and possibly rival people on equal terms. States possessing territories in Africa or Asia inhabited by populations in a backward state of development, have generally heretofore looked for priviliged and preferential treatment of their own industry and commerce in those territories. Great interests will be challenged, some sacrifice of national pride demanded, and the hostility of political factions in some countries will be aroused.

"Yet if, after the War, States are to be shut out from the seas; if rapidly expanding populations find themselves excluded from raw materials indispensable to their prosperity; if the

# American and Russian Cartoons on China Situation




IS THE MAN WITH THE WHIP LOSING INFLUENCE?
—Ireland in the Columbus *Dispatch*.


JOHN, I DIDN'T THINK YOU'D EVER MAKE IT WHILE YOU WERE KICKING UP THAT RUMPUS IN SHANGHAI!
YES YOU FORGOT ALL ABOUT YOUR OWN CIVIL WAR — AND ENGLAND'S — AND THE FRENCH REVOLUTION, DIDN'T YOU SAM?
MODERN CHINA
THE PACIFIC
GALE

Gale in the Los Angeles Times

A RUSSIAN VIEW OF THE BRITISH LION
"The Beast at Hankow."
—*Isviestia* (Moscow).

ANOTHER FOREIGNER LEAVING CHINA
—Morris for the George Matthew Adams Service.

privileges and preferences enjoyed by States with overseas territories place the less powerful States at a disadvantage, we shall have reestablished potent motives for that competition for political power which, in the past, has been so large an element the causation of war and the subjugation of weaker peoples. The ideal of the security of all nations and 'equality of opportunity' will have failed of realization".

Let us go back a moment to those romantic days when the World War was not yet in its dotage, when nationalism seemed at its best in this Wilsonian sentiment as seen above, in the direction of "democracy" and "self-determination" for small nations—the essence of pure nationalism. All this was seen so vividly in 1918. The men of the west who were not afraid to think, who had a mind that travelled beyond the bar of the local club knew a change must occur.

"The purpose of the Allies in this War", said Asquith, "is to pave the way for an international system which will secure the principle of equal rights for all civilized States, to render secure the principle that international problems must be handled by free people and that their settlement shall no longer be hampered and swayed by the overmastering dictation of a Government controlled by a military caste." He had in mind the military equipment of the rampant Germany but a close survey is not needed now to see that Germany is not the

only empire in the world whose foreign as well as domestic policies are in the hands of those who if not military leaders themselves, bend the knee before the assumed wisdom of those who wear the uniform.

One of the old Russian novelists, Dostievsky by name said somewhere in one of his great books, "the hardest thing in this world for a man to do is first, think a new thought and then take a new step."

We are at the path today when a "new step" is not only necessary for the happiness of mankind but essential for his continued existence. The Allied victory did not achieve a modicum of this ideal of reasonable nationalism or reasonable diplomacy. The national safety of Belgium was not aided one jot by the World War. And other states like Yugo-Slavia, Poland, Albania, Finland, the Russia Border States, China, India, are they today any better than they were in 1918? All, we grant are doing their best to make themselves as they think they ought to be made, and not one is given a helping hand to his neighbor, not a Great Power is doing anything except furnishing arms to one general to oust another misguided patriot. Nationalism, as they view it, would be against any other move.

When it comes to a few of the "backward" countries expressing some hopes that "self-determination" is actually a term filled with meaning for them, what do we who have might on our side do? We graciously kick China and India and Mexico and the Philippines because they dare to have faint hopes in national movements; we oppress those who are giving vent to the same ideas we have died for. We fought like insane devils to preserve the national life of Belgium (knowing that a dead Belgium is a menace to that Empire a few miles north-west); we subsidize Poland's national hero of the hour (we know that a buffer state is important in order to keep Soviet Russia from eating up the little capitalistic lambs as hors d'eouvres before starting upon the banquet's courses of big capitalistic sheep); we nurse along the nationalistic life of a Middle Europe republic or go into newspaper hysterics over the activities of a Middle European queen who has granted her peoples national vigor (every one of these disagreeable lap-dogs who bark at the mastiff master), and then, we turn around, look into the East, and froth when a Chinese patriot kills a missionary or spits upon a commercial agent.

### The Cheapest Settlement

It is extraneous to talk of interests and foreign protection. These could be solved in a day by having the respective governments concerned reimburse their nationals for their sausage factories, automobile agencies, profiteering clothing concerns, and wine and arms smuggling establishments in "backward" countries, and have a consistent process of evacuation, under temporary military supervision. Almost in twenty-four hours, incidentally, the socalled "backward" folk would be clamoring for a recall of the foreigner to give them once more pretty watches, the latest victrola record and a fresh coat of paint for their modern summer home.

But we do not want to see China and India and Mexico and the Philippines filled with efficacious "my-country-right-or wrong" expressions because we will lose a great portion of national "honor", national "pride", national "face". We rant of China being the perfect example of a peoples basing their every thought and action on precautions to unhold "face". We cannot cast stones who live in houses filled with so much glass.

The Great War was fought for certain principles, so we said at the time. We dragged the East into the sport on these same ideals. We struggled for "Right" and the obligations to weak states. We still talk, although a little self-consciously, about "right" but we carry on like good troops the campaign led by General Macht-Politik, who cries out, "Might makes Right, boys".

Probably these wedges which are causing many of the ills of the world were once driven with a glorious vigor by a sturdy, bonny lad, but now the rheumy fossil who exists a living death seems to think that his hands are strong enough to break through the wood and split asunder the tree of irrational living. This he cannot do and the wedge is hurting the molecules which press upon it, and all the world cries out in sympathetic pain.

We have done stupendous things with nationalism in the background to aid us. China must do grand things as well, when she becomes a place fit for man to live and love and work and die in. But if we insist upon putting emphasis upon the inconsistencies of nationlism, upon its prejudices, its reiterated superiority of some races over others, its holier-than thou smirk, its disregard for the opinion of the other fellow, it is going to be little surprise to see National China follow in the path we have taken, and thus add one more mighty state to the assembly of those who bay at the moon in the graveyard of time and only cease their barks when the keeper, Gravedigger Mars—he called by pagans the god of War—raps all into oblivion with his efficient spade.

# Some American Views On U. S.—China Policy

### Entertaining The 'Heathen'

*(Los Angeles, Cal., Record)*

Now, Christians in *China* have gone to fighting, which must be right entertaining to the heathen.

The Fundamentalist Christian Mission, holding a big meeting in Shanghai, has vigorously denounced the National Christian Council as bolshevik and modernist, in praising the nationalist cause.

In China's present condition, almost any point in China seems to be a good place in which to thresh out that Adam-gorilla matter. It will greatly amuse the heathen, anyway.

### Trying To Force Intervention

*(Ithaca, N. Y., Journal-News)*

Americans in Shanghai and other Chinese cities are trying to force Washington's hand. And no less reputable a correspondent than Thomas F. Millard reports that not only the American business interests, but American diplomatic agents, including Minister MacMurray, are urging the administration to join with Great Britian and other powers in military intervention. It is proposed to establish a blockade in the Yangtse River, and thus crush the Nationalist movement in the guise of exacting punishment for the Nanking incident.

The viewpoint of the Americans in China is not an American viewpoint; it is the viewpoint of the foreigner who has profited by a half century's aggression; a viewpoint typical of the white man toward people of other races. It is another expression of the white man's "superiority." Naturally they want to protect their interests. But the question is bigger than the one they pose. It is the longer view of this problem we should take. It is gratifying to note that the administration refuses to be rushed. It is taking its time and there is no evidence that it will join in a military demonstration in connection with other powers.

### The Root Of The Chinese Trouble

*(Syndicated editorial by Dr. Frank Crane)*

There is a tremendous uproar in China. Armies are marching and countermarching, battles are being fought and riots are general. Everybody is agreed that one of the difficulties of this matter is the hatred of the Chinese for foreigners and probably they are right.

There is a disposition in all nations to have bad blood toward foreigners. The word enemy and foreigner seems to be synonymous.

From our own feuds in the south we can see that it is natural for people of one community to hate and distrust those of another. They realize the solidarity of the clan, but not the solidarity of mankind.

The root of most difficulties with nations is a simple one. It can be found in the reactions of human nature and traced ultimately to purely natural causes.

The foundation of the difficulty with the Chinese is largely the contempt with which they have been treated by foreigners. Any one who has traveled in the east has noted the supercilious contempt which Englishmen and other foreigners have for the native Chinese.

They will not let them enter their clubs, they frown upon all intermarriages. They do not receive them as equals in society. The better class of Chinese resent it.

There is a better class as well as a lower class of Chinese and it is needless to say that the better class regard themselves as equals to, if not the superior of, other peoples.

They refer to their kingdom as celestial and look with contempt upon the west.

Naturally this egotism is wounded when they are regarded by westerners superciliously.

The French revolution of the late seventies was largely due doubtless to the disdain of the higher classes for the lower.

None of the humanitarian efforts of the missionaries nor the official protestations of the governments can do away with the contempt which the westerners have always shown towards the Chinese.

This rebellion is largely a reaction of that contempt.

### Trying to Oust An Editor

*(Brooklyn Daily Eagle)*

The American Chamber of Commerce in Shanghai reflects no credit on itself by trying to oust from membership an editor who disagreed with its views. J. B. Powell of Hannibal, Mo., editor of the *China Weekly Review*, publishes the only American newspaper in Shanghai. He sympathizes with the desire of the Chinese people to establish an independent government. He opposes the use by force by foreign

*(Continued on page 88)*

# Why Department Store Prices are Lower!

WE buy direct from factories in all important cities in the world, no commission, etc. to middlemen. First reason why our prices are lower.

WE buy on cash terms, thus earning cash discounts, and such discounts are considered when we fix our selling prices. Second reason why our prices are lower.

WE buy in large quantities and we earn trade discounts which will again lower our selling prices. Third reason why our prices are lower.

WE own our own buildings and everything under one management, thus it cuts down the running expenses of the stores. Fourth reason why our prices are lower.

"GET THE HABIT"

Shop at

**Sincere Co. Wing On Co. Sun Sun Co.**

(Incorporated in Hongkong)

"SAVE the DIFFERENCE"

(*Continued from page 86*)

governments to retain unfair advantages in China. He said these things in his publication.

From the beginning of the troubles in Shanghai the American Chamber of Commerce has taken a narrow, partisan, selfish, un-American viewpoint. Its appeal to the American government for joint forcible intervention by the powers was a request that we declare war upon the Chinese people. Fortunately more sober views prevailed, and the emotional appeals emanating from this chamber have been ignored. The balanced statements coming from groups of American missionaries whose lives were endangered and whose property was lost are in pleasant contrast to the resolutions passed by American business men in Shanghai.

An editor should have the right to state his views. Editor Powell has done no more than voice the sentiments of those Americans most familiar with the Chinese situation. Most business men represented in the Shanghai chamber do not know Chinese, and had little contact with the nationalist movement until Shanghai was taken. Throughout China's revolution they have lived in the north.

### Important Americans
(*San Pedro, Cal., Pilot*)

Really, a mere citizen has to go abroad to find how important he is. There are half a hundred Americans in Hankow, China, about 600 miles up the Yangtse River. The *Chinese* who own the city and country apparently don't want them there. The American government apparently doesn't want them there, either, for several weeks ago it asked them, along with all the other Americans in China, to come down to Shanghai or some other seaport, where they could be picked up and brought home.

But those Americans didn't feel like leaving. So they stayed there, in the midst of danger, between two armies engaged in civil war and in the middle of 400,000,000 natives growing more and more hostile to foreigners.

Well, taking care of one's "nationals" abroad when they are unable or unwilling to take care of themselves is a sacred, patriotic duty. So we have sent a fleet of half a dozen warships and a lot of marines up to Hankow, and kept them there, in the midst of the Chinese conflagation, just to look after that handful of foolhardy Americans. And any day they may involve the rest of us, numbering about 115,000,000 people, in a war against China which none of us want.

No doubt that sort of thing is very interesting and exciting, for the heroic handful who stay where they're not wanted and do what the other 115,000,000 of us don't want them to do. One of these times, if they get away with it and avoid a massacre, they'll be back home lecturing to us about it, at so much per head, with plenty of applause thrown in for their unparralleled courage.

Some cantankerous souls, however, incapable of understanding the ethics of such matters, will be mean enough to call it unparralleled and inexcusable folly.

### Keep Your Feet on The Ground
(*Whittier, Cal., News*)

It is the easiest thing in the world to allow your heart to dictate to your head; to be carried away by emotions in which reason has no part.

But, very often, it is disastrous.

Probably you saw in the papers the other day a big photograph of the American marines parading in Shanghai.

The picture showed the faultlessly drilled, soldierly young Americans striding along in regular war time guise; and at the head of the column was the color guard, with the American flag swelling out in the breezs.

It was an inspiring picture. No American could look at it without feeling a thrill run up and down his spine.

That flag means a great deal to all of us; more than we can express. To see it borne at the head of American troops in a distant land is bound to set our hearts beating faster for the moment.

But we musn't let this emotion carry us off our feet.

We mustn't let the thrill of pride that the picture gives us blind us to the realities of the situation in China. We mustn't let it swing us unthinkingly into a state of mind where we would welcome armed conflict between American troops and the Chinese.

The Chinese stiuation is extremely delicate, loaded with possibilities that may re-echo for many years to come. Let's not let the waving of a beautiful flag carry us away so that we lose sight of the deep, involved issues at stake.

Let's keep our feet on the ground. The flag and the marching marines are inspiring, to be sure; but let's remember that our chief aim is to settle the whole thing peaceably if it can possibly be done.

### Our Minister To China
(*St. Louis Post-Dispatch*)

Official Washington is said to be irritated by reports from foreign sources as to our Government's attitude towards China. The name of our Minister to China, John Van A. MacMurray, appears recurrently in the dispatches. He has been resigning for several days, according to those rumors, and it is broadly implied that his resignation is a rebuke to our Government for its failure to make common cause with other Powers in admonishing China by way of ultimatum or broadsides.

Official Washington in this instance means Mr. Coolidge. His irritation is readily understood. With propaganda variously contrived and running the gamut from cajolery to coercion, the other Powers have been trying to involve this country into repudiating its traditional attitude towards China and joining their aggressive alliance. The Coolidge administration, we are happy to say, has been neither seduced nor intimidated.

But what of Minister MacMurray? It is inconceivable that he could be ignorant of the persistent reports of his resignation, or of the purpose of such publicity. And though reluctant as we must be to suspect him of conspiring with foreign correspondents, or conniving at their efforts, to force the President's hand, the fact remains that he has, if innocent, needlessly placed himself in an equivocal position. His indignant denial of any intention to resign, coupled with a convincing declaration of earnest sympathy with, and approval of his country's policy would have left the propagandists out on a limb.

Has Old World diplomacy intellectually and morally expatriated MacMurray as it so consummately did in the case of the late Walter Hines Page? It is a pertinent question, which is, we imagine, agitating the White House. Should the White House be persuaded that our Minister to China has been Anglicized, we hope a successor will be named without delay—one grounded and intrenched in the best traditions of our foreign policy.

### The Husar Scandal
(*Des Moines, Ia., Register*)

Recently, individual Chinese shot an American at Nanking, and thereupon the government at Washington charged the nationalist government with responsibility, heeding not the Cantonese denials.

With this precedent, what logic will support denial of American responsibility for the amazing acts of the United States district attorney for China now being brought out in the United States district court for China?

The district attorney, Leonard G. Husar, was arrested in January last on a charge of having accepted $34,000 in gold in connection with opium smuggling, a charge supported by his wife in her later suit for divorce. In explaining his accounts Husar testified that while serving as district attorney in the pay of the United States he also was representative of Chang Tsung-chang, the Shantung war lord. As such he received first $500 a month in gold, and later $750 a month. In addition, he negotiated an arms deal in which Chang secured 6,500 Mauser rifles and in this deal he pocketed a commission of $37,000. This he put in a safety deposit box in Shanghai in order "not to attract attention with so large a deposit in a bank."

Many pertinent points are involved in this case, such as the foreign influence in the Chinese opium trade and the probable special interest of many influential Americans in opposing the nationalist cause. But it ought to be enough to emphasize one fact the case brings out, that we have a federal district attorney for China and a federal district court for China. Whether or not the court punishes Husar, existence of these alien officiaries remains an offensive fact.

Husar was put in China, beyond Chinese law, by the American government. Shall we accept the responsibility for him which we would exact if the situation were reversed? Shall we continue a policy that makes the American government an unnecessray party to acts of exploitation? Continuing the unequal treaties, we support the too common belief that Chinese in their own homeland are "yellow dogs," fairly marked for exploitation.

Until we as a nation declare for equality we should not be surprised that offensive acts of individuals reflect an assumption of superiority which will augment anti-foreign sentiment in China.

### A Word of Caution For The Chinese
(*Pan-Pacific Progress, Los Angeles*)

A word of caution to the Chinese. "You cannot have your cake and eat it too." It is very easy to organize a mob by crying, "Down with the foreigner," but what will you do when you have driven the foreigner out? It may all be true that the foreigner came as an univited guest; has taken advantage of your peaceful habits and ignorance and treated you shamefully; has in fact exploited you, but on the other hand, you have been taught a few tricks of the trade and can now compete with the best of them. Was not that education worth all you have suffered? Are you willing to go back to the old life? We doubt it. Just remember that "a little knowledge is a dangerous thing." You must GO ON—or you are lost. Can you go on alone as well as with your teacher? Why not make a new

(*Continued on page 90*)

# BANKING

## DOMESTIC AND FOREIGN

Current Accounts in Local Currencies.
Savings Accounts in all Currencies.
Fixed Deposits Enabling Higher Interest.
Commercial and Travellers Letters of Credit.
Buying and Selling Foreign Exchange.
Selling A. B. A. Travellers Checks.
Advising Relative to Investments.

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A FRIENDLY COMMUNITY BANK
EXTENDING WORLD-WIDE SERVICE

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*Branch Office—Tientsin*

## The American-Oriental Banking Corporation

*"The Bank of Personal Service"*

**Head Office: Shanghai** **Branch Office: Tientsin**

COMMERCIAL SAVINGS INVESTMENT

(*Continued from page 88*)

deal without wrecking the entire works and start anew? We venture to assert that the trade with China will increase faster than it has ever done before for all concerned if a peaceful solution is found for the present problems.

**What Price Nanking?**
(*St. Louis, Mo., Post-Dispatch*)

While the Chinese are waiting to get the bill for the Nanking affair, in which six aliens were killed, they are getting small comfort from a study of precedents. For their uppishness in 1841 they took a sound thrashing and salved Great Britain's feelings with Hongkong and $21,000,000. For the two German missionaries murdered in Shantung in 1897 they handed over Kiao-Chau. For the Boxer rebellion in 1900 they agreed to shell out $337,500,000. And so on. The high cost of atrocities has kept China on its uppers for 80 years.

**He is Needed in China!**
(*Goshen, Ind., News-Times*)

There is a newspaper in Shanghai, *The China Weekly Review*, owned by American capital and edited by John B. Powell of Hannibal, Mo. Mr. Powell has been president of a leading social club there, whose membership is largely British and American. He has also been a prominent member of the American Chamber of Commerce of Shanghai. Recently that commercial organization demanded Powell's resignation because of his paper's Chinese policy. Censure from American and British members led to his resignation as president of the social club. Powell had written in his paper: "The Chamber of Commerce apparently believes in involving America in complications in this part of the world which, in my opinion, may have a far reaching effect, even to the extent of another world war. I believe the Chinese have the right to express their views as well as the English and American, or others, and so long as I am engaged in the publication of an American paper in Shanghai it is my intention to give them a square deal. The American people have no business to interfere in the internal affairs of the Chinese". This is the attitude of the American people and also, apparently, of the American government. Editor Powell seems to be representing his country pretty well in China. If Shanghai doesn't want him, or rather if the foreign colony there does not want him, he can doubtless get a good job back home. But it would be unfortunate to bring him back. He is needed where he is.

**The Women Of China**
(*Kingsport, Tenn., Times*)

Listen, ladies! Madame Sun Yat Sen, widow of the first president of the Chinese republic, speaking:

"Our grandmothers were 500 years behind the women of America, but our daughters will be 50 years ahead."

The nerve of the woman! Still, come to think of it, Madame Sun Yat Sen, whose intelligence has never been questioned, was educated in an American women's college, and has traveled all over the world, and has had a great deal of political and social experience in China, and is a member of the executive council of the Koumintang which controls the Nationalist government, and she ought to know her own people.

Dr. Sun always urged that China's women must be freed along with her men. In the Nationalist movement women have been given equal rights without question. Already a change is evident, says Madame Sun. "Mothers find their daughters a little strange today; grandmothers look upon them as creatures of another world. When I was in college in America, I never expected this transformation so soon. Chinese women, under the Kuomintang, are wiping out centuries. We are not having to struggle for the vote, to own property, to be guardians of our children, to win fair marriage laws. These things are a part of our new system already.

Will such equality extend to the masses of Chinese women, as they are brought within the scope of the Nationalist movement? If so, the big question is, "Where do they go from there?" Our women may well watch them.

**China Crowded Off Front Page**
(*Davenport, Ia, Times*)

Poor old China is accustomed to being buffeted about and ignored. Hence she probably does not resent the fact that news from that sector has been practically crowded out of the American daily newspapers, during the last few days of suspense over the Trans-Atlantic fliers and the Snyder murder case.

In fact, it is hard for Americans to get interested in what happens in China, regardless of the great interest that may be at stake. A few lines about China suffice for the most of us and we turn hastily to the sports page.

It ought to be noted however that a short time ago our government spiked a rumor, sent by way of London, to the effect that the American minister at Peking, Mr MacMurray, had resigned. The intimaton in the London dispatch was that Mr MacMurray was out of sympathy with the American government's policies.

# Purchasing Cocoons

BY PAUL K. WHANG

ONE who is accustomed to the hurly-burly of city life will find himself interested in taking an inspection tour around the cocoon-producing districts during the cocoon season. The towns and villages which in ordinary time are deserted and secluded will be transformed into the scenes of a great activity with the advent of the cocoon season. Take for instance, the city of Wusih, the most important cocoon center of Central China, will be the rendezvous of many thousands of filature men and cocoon merchants, with the motor launches and small boats plying up and down the surrounding waterways.

In commenting on the system of buying cocoons, it will not be out of place to give a brief discussion of the cocoon hong, or cocoon-buying station, with its personnel. The cocoon hong is under the supervision of a general manager, whose various duties are to confer with the hong-managers of the same district in fixing a price to be paid for each picul of fresh cocoons, to change the tentative price as occasion calls for, to supervise his subordinates in the purchase of cocoons, and to attend to other routine duties. On account of the importance of his work, this gap has been generally filled by the filature man or cocoon merchant himself. In working with him, there are treasurers, bookkeepers, weighers, inspectors, oven-supervisors, clerks, and a huge force of manual workers.

The functions of the treasurer and bookkeeper are self-explanatory, and need no comment. But a due recognition must be given to the services rendered by the weigher and inspector, as they are really the leading men of the whole show. To be exact, the weigher is to weigh different lots of cocoons, thus fixing the price; while the inspector is to examine the quality of cocoons before weighing in the hope of rejecting the goods of inferior quality. In order to preserve the usefulness of cocoons, the chrysalis must be killed and cocoons dried, and any delay in drying up the cocoons might cause moths piercing through the cocoons, thus destroying the fiber. Therefore the hong is equipped with drying ovens which are fully heated with firewood day and night under the care of the supervisor with a large number of coolies.

All the above-mentioned offices must be filled with men of good character and expert knowledge. The number of these helpers for each hong varies as its size, which is in turn guided by the ovens it contains. For a cocoon hong of twelve double drying ovens, besides the general manager himself, there are two to four weighers, three to six inspectors, two oven-supervisors, one chief treasurer with several assistants, two bookkeepers, about ten clerks, and fifty or more coolies.

**Schedule of Salaries**

To draft a schedule of salaries paid to various helpers, which might be interesting to the readers, is a matter of impossibility, as the payment is different in different districts, as well as in different seasons. Generally speaking, the salaries will be: Hired manager, $100-$160; weigher, $50-$100; inspector, $30-$60; oven-supervisor, $30-$60; treasurer, $20-$50; bookkeeper, $20-$35; clerk, $15-$25; and coolie, $8-$16; Owing to the nature of work which merely takes a week's time but is well remunerated, a large number of job-seekers is looking for the chance, especially at a time when the business is in depression.

It will be interesting to give an account of the process of cocoon-buying. The farmers flock the cocoon hong either by land with baskets of cocoons on shoulders or by water with small boats fully loaded with baskets and trays of cocoons. Before the daybreak, they have already gathered around the hong and awaited its opening. The hong usually begins its business by half past six and ends by five. The lot of cocoons is mostly of small amount, that is, from five to twenty catties, and therefore to buy enough cocoons for a picul requires time. As a rule, the lot of cocoons must be first examined by the inspector, and after his approval, it is weighed by the weigher and a price is then given. When the farmer agrees to sell at such a price after much higgling, a ticket is made out by the clerk on which bears the number of

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Perhaps Britain would like to build a back-fire against our policy in treating with the Chinese. We have shown something of a disposition to "go it alone." This policy is quite right on our part. We have no concessions to defend and no sphere of influence for which to fight. We are not trying to put one faction in control to the detriment of any other faction. We are, however, determined to defend American lives and property, a decision which has the backing of the American people.

It is not surprising therefore that indigation was shown in Washington over the report on MacMurray. The United States is of age and able to handle its foreign affairs in its own way. Other capitals need have no misgivings on this score.

catties and the amount of money. The ticket is made out in duplicate, the original goes to the seller, and the duplicate is kept by him for further reference. With the ticket, the seller can get money at the nearby window or counter after surrendering it to the treasurer. The fresh cocoons then are passed into the hands of oven-supervisors for stifling the chrysalis.

The cocoon buying at the cocoon hongs is a hurried transaction. The period for the cocoon market is short, being from four to eight days, varying in different districts. This hurried way of buying cocoons is partly responsible for the poor quality of cocoons used by the filatures, because there is not enough time for careful selection and examination. For that reason, our filature men and cocoon merchants should scrutinize carefully the present buying method with the view of finding its defects. The writer who has been in the different cocoon hongs of Soochow and Wusih districts for the last three seasons, has the following points in his mind.

**Lack of Cooperation**

First of all, lack of cooperation among the hong-managers in the purchase of cocoons accounts for the high price paid for cocoons of poor quality. As a rule, before the opening of a cocoon season, the hong-managers of the same district will convene a meeting for the sole purpose of agreeing on a price per picul of fresh cocoons on the basis of prevailing price of raw silk. The price thus fixed is generally ignored by the hong-managers. As the cocoon season lasts from four to eight days, the hong-manager will become uneasy, when he has not bought sufficient quantity for the first two days; he will infalliably raise the price in order to attract the sellers. As soon as the hong-managers of adjacent area learn this move, they will likely overbid the price. When this force acts and reacts, the final price paid will be much higher than theoriginal price agreed upon by themselves. Keen competition in overbidding the price has accounted for the high price paid for cocoons of poor quality, and has brought many filature men and cocoon merchants into ruin. It is high time to denounce this "self-suicide" policy, and the agreed price should be strictly adhered to, although a little variance might be permissible only for good reasons.

Secondly, but with the hurried way of buying cocoons, no discrimination can be made between the cocoons of different quality. In a single rush day, many hongs can buy five to seven hundred piculs of fresh cocoons. The weighers in accompany with inspectors will be almost unable to discriminate the quality of different lots, which, as I said before, are usually small, from five to twenty catties. As a result, cocoons are bought without proper examination, and the price paid is altogether inconsistent with the quality of cocoons. The same price is given to the two different lots, in spite of the fact that ten dollars more should be awarded to the better one. In many hongs, the inspectors have no previous experience, and leave everything to the weighers' judgement. This indiscriminating way of buying cocoons tends to discourage the farmers to produce cocoons of a good quality, the production of which involves much expense. It is always the writer's conviction that every lot of cocoons before weighing must be examined by the inspectors, whose position can only be filled by the experts, and that only cocoons of good quality can command a good price.

Thirdly, most of the cocoon hongs do not provide proper facilities for the purchase and storage of cocoons, as they were originally built for other uses. Their rooms are poorly ventilated, and usually separated from each other by small compounds. The fresh cocoons thus stored in these poorly ventilated rooms before being dried will cause deterioration in quality silk. It is highly needed that these antiquated and make-of shift hongs should be torn down, and in their places new ones must be constructed.

**Drying The Cocoons**

Lastly, the inflexibility of the drying ovens limits the buying capacity of a cocoon hong. The drying of cocoons takes eight to ten hours, and in busy days the process of drying is done by two steps, the first drying from three to four hours, and the second one from four to six hours. The quantity of cocoons dried is about 130 catties per oven, being five to six catties per tray with twenty-four trays in one oven. Therefore the hong-manager can not buy more cocoons than the drying ovens can accommodate. Most of them learn this lesson this year, when the cocoons are abundant and price is cheap.

All the above points have much to do with the quality and price of cocoons. It is a well-known fact that the cost of cocoons constitutes 9/10 of the total cost of raw silk. Therefore in the past, no efforts have been spared in improving the quality of cocoons in the hope of cheapening their cost, but as to the improvement of the buying method, no thought has as yet been given. The writer's discussion and criticism might be helpful to those who are not content with the present buying method.

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## HAWAII TOURIST BUREAU

**Dept. 7, P. O. Box 296, Shanghai, China**

# Improving China's Communications

By Randall Gould, *United Press Staff Correspondent.*

NATIONALIST Government authorities are working on plans designed to bring about far-reaching extensions and improvements in China's systems of communications. Sun Fo, son of the late Dr. Sun Yat-sen and Minister of Communications in the Nationalist Government, told the *United Press* in an interview at Hankow recently.

These plans, Sun frankly admitted, are necessarily things of the future rather than of the present. Wars are in progress, revenue is relatively scanty and now largely diverted to military affairs, and while the Wuhan Nationalist Government fights for its existence there can be no widespread communications improvements.

"Unification of the country must come first," explained Sun. "Once that is accomplished, we purpose to put through a comprehensive scheme of administrative changes making for an efficiency which will greatly increase Government revenues without burdening the people.

"National revenues can be made three times the present amounts within a year of the time we undertake this, we believe. This will be due solely to more efficient administration. We have already shown that it can be done. In Kwangtung province the yearly revenues used to be thirty-five million Mexican dollars; we increased this to around $100,000,000, by efficient and honest Governmental methods and without increasing the burdens on the people."

The land tax is at present based on the old Manchu figures compiled 200 years ago, Sun continued. Now this tax is wholly out of date, for it took into account land yields and market prices of these yields which are today meaningless. Some features are laughable, he declared. Families are taxed for land they sold perhaps fifty years ago, simply because their names still appear on the tax books as owners; new owners escape without tax because they are not listed as owners.

### Distributing The Land

Sun explained something of the new policy on land distribution in amplification of the tax statement. In Hunan province ten million peasants have been organized into peasants unions as a first step toward improving both their condition and that of the Government. First the landless peasants, a virtual serf class, came into the unions; next came those who were barely self-sufficient and finally the so-called "rich peasants" who are able to make a small yearly profit.

Land taxes have in the past been collected from a landlord class who were united against alterations in rate or practice. The landlords in turn collected as high as eighty per cent of the yearly yield as rental, making it necessary for their tenants to chop wood and engage in similar enterprises to subsist. Now the maximum rent has been set by law at forty per cent of the yield, and plans are on foot to eliminate the large landholders altogether, obtaining the land for the Government and parceling it out to the peasants who would then pay taxes direct to the Government.

Apparently the plan for taking over the land is not thoroughly prepared. There may be expropriation on a scheme of gradual payment to the landlord from the proceeds of future taxes. Figures so far compiled indicate that by direct collection of taxes from the land workers, around Mex $50,000,000 (about U. S. $25,000,000) can be obtained in Hunan instead of the present $300,000, and that the Government should net Mex $30,000,000 after paying the share to the landlords.

Wide-spread work must be done in a number of directions, Sun continued. Village government must be reorganized, or rather organized for the first time to replace the present condition of virtual anarchy. But with all this work well under way the complete national revenues should total more than a billion Mex dollars a year in place of the present $400,000,000, and communications systems will be among the first beneficiaries.

Work contemplated includes, according to Sun, railway building, port development, highways, city building and renovation of old canals and construction of new ones as well as dike building and other river conservancy work.

One of the biggest jobs which will receive priority is completion of the Hankow-Canton railway, Sun said. This is a difficult piece of work which will require three or four years, cost about Mex $60,000,000 (about U. S. 30,000,000) and entail building of some sixty tunnels, but it will open a rich trade highway.

# Present American Policy in China in the Light of the Past

*(Continued from last week)*

### Japan Presents Her Twenty-One Demands

Japan was not slow to seize the opportunity opened to her. In 1914 she presented a Memorandum, aiming to solve the "Chinese Question," which was the forerunner of the Twenty-One demands presented in January, 1915. In May, 1915, Japan presented an Ultimatum to China necessitating a favorable reply within two days. Coerced, China yielded to all of the Demands but Group V, which would have made her virtually a vassal of Japan. The Twenty-One Demands, culminating in the treaties of May, 1915, were a complete violation of the principles of the Open Door Doctrine. America and the powers, however, were absorbed by the World War.

During the War, Japan enjoyed an era of remarkable prosperity and secured a tremendous lead over the other nations in trade with China. The Wilson administration relaxed almost all effort for the maintenance of the Open Door in China. In reference to the Japanese Demands the United States declared at the time only that it could not be bound by any treaty violating the rights of American citizens or the principles of the Open Door Doctrine. From the Chinese point of view, this, together with the withdrawal of the American Banking Group in 1913, seemed like a breakdown of the doctrine. The Chinese were also much disturbed when in 1917 Viscount Ishii came to America and during the course of negotiations for war measures secured, by the Lansing-Ishii Agreement, an even more favorable recognition of Japan's position in China. The agreement stated that "the United States recognizes that Japan has special interests in China, particularly in the part to which her possessions are contiguous."

That America did not intend to give up the Open Door policy, however, is shown in the following paragraph from the same agreement:

"The Governments of the United States and Japan deny that they have any purpose to infringe in any way the independence or territorial integrity of China, and they declare, furthermore, that they always adhere to the principle of the so-called 'open door' or equal opportunity for commerce and industry in China."

### Washington Considers the Far East

Following the conclusion of the Peace Treaties attention was again directed to the pressing problems of the Far East, which had been largely neglected by the western powers between 1914 and 1918. The United States took the lead in calling the Washington Conference of 1921-22. A brief summary is sufficient to record the principal results of the Conference, which marked a new period in the relations between China and the powers.

Four treaties dealing specifically with questions relating to the Far East and the Pacific were drawn up at the Conference.

1. A Treaty Between All Nine Powers Relating to Principles and Policies to be Followed in Matters Concerning China.

2. A Treaty Between the Nine Powers Relating to Chinese Customs Tariff.

3. A Treaty for the Settlement of Outstanding Questions Relative to Shantung.

4. A Treaty Between the United States of America, the British Empire, France and Japan relating to their Insular Possessions and Insular Dominions in the Pacific Ocean, with a Supplement.

In the first treaty the nine signatory powers declared it their desire "to adopt a policy designed to stabilize conditions in the Far East, to safeguard the rights and interests of China, and to promote intercourse between China and the other powers on the basis of equality of opportunity."

By this treaty it was provided that a Commission "to inquire into the (then) present practice of extraterritorial Jurisdiction in China, and into the laws and the judicial system and the methods of judicial admininistration in China" for the purpose of reporting their findings of fact and for making recommendations, should meet within three months after the adjournment of the Conference.

Additional resolutions were passed regarding the abolition of foreign postal agencies in China, the withdrawal of armed forces in China not provided for by treaty, for limiting

operations of foreign-owned radio stations, the unification of railways in China, the reduction of Chinese military forces, for full publicity of existing (treaty) commitments of China, or with respect to China, and resolutions regarding the preservation of foreign interests in the Chinese railways.

The Treaty Relating to Chinese Customs Tariff provided for an early revision of the 1918 schedules of the Chinese import tariff, making the duties equivalent to an effective 5 per cent ad valorem, and, further, through the convening of a Special Conference, for the abolition of "likin" (a tax on goods in inland transit) and an increase in tariff rates by surtaxes.

Japan, through the Treaty Relative to Shantung, agreed to relinquish her control of Shantung. As a further step in this direction, Mr. Balfour at the same time announced Britain's intention to restore the British leased territory of Weihaiwei, and the French delegation announced it would be willing to enter into negotiations for the restoration of Kwangchouwan, the French leased territory in South China.

The treaty relating to Insular Possessions and Insular Dominions in the Pacific Ocean was intended to minimize the danger of a war in the Pacific and provided for the termination of the Anglo-Japanese Alliance.

### Immediate Results Of Washington Conference

The Washington Conference definitely marked the end of the period in which the powers sought to establish spheres of influence in China. Up to 1922 the Open Door Policy had rested on unilateral declarations and bilateral agreements, to which China was not a party, and by which the principle of equality or opportunity lacked vital effectiveness. As a result of the Washington Conference, the Open Door policy was given a wider significance and China was offered a more favorable opportunity for adjusting her international relationships.

It is impossible at this time to determine the ultimate results of the Washington Conference. The extent to which the agreements made at Washington have been carried out, however, and the more immediate results which have been achieved to date may be briefly summarized.

The provision for the return of Shantung was carried into effect in an agreement between China and Japan, signed December 1, 1922, and the former German territory of Kiaochow, taken over by Japan during the World War, was returned to China by Japan on December 10 of the same year.

The postal agencies of the foreign powers have been withdrawn, and in varying measure the other resolutions appended to the Nine Power Treaty have been partially carried through.

The Tariff Revision Commission met in Shanghai soon after the Conference and worked out a revised schedule of duties on Chinese imports, making the 5 per cent ad valorem effective, but the Special Conference, due largely to irrelevant delays on the part of France and Italy, did not meet until the fall of 1925.

### The Special Customs Conference

The first session of the Conference convened in Peking in October, 1925. According to the treaty agreement arrived at in Washington, the scope of the Conference was to be limited to provide for the abolition of "likin," and an increase of the tariff rates through an additional 2½ per cent surtax on "necessities" and 5 per cent on "luxuries."

The Chinese Government early made known its desire that the scope of the Customs Conference should be broadened to consider the granting of complete tariff autonomy to China. Attention was called to the fact that her delegates to the Conference at Washington expressly reserved the right to bring the matter forward on a proper occasion.

To China's suggestion the United States replied as follows:

"The United States is ready to appoint its delegates to the Special Conference on Chinese tariff matters provided for in the Treaty of February 6, 1922, and is furthermore willing, either at that Conference or at a subsequent time, to consider and discuss any reasonable proposal that may be made by the Chinese Government for a revision of the treaties on the subject of the tariff."

The British position in the matter of Chinese tariff autonomy was set forth in more guarded fashion in the instructions of the British Minister to the British delegates to the Conference:

"While the specific tasks of the Special Conferences are thus defined, His Majesty's Government look to it as affording an opportunity for the Treaty Powers to show their real friendship for China and their practical sympathy with the desire of the Chinese to reform their fiscal system, and on such lines as will give reasonable security and encouragement to international trade, and thus make possible the progressive growth of China's liberty of action in this sphere."

Conditions at the time of the Conference were disturbed by fighting between the northern War Lords, and many of the Chinese delegates left Peking during the winter and following spring. When the Conference informally terminated on July 3, 1926, much of the work remained undone. The failure of the Conference to reach an agreement was also due in part to the fact that the foreign delegates in their desire to maintain unity of action were unable to agree among themselves on the nature of the goods to be classed as "necessities" and "luxuries" and the desire of certain powers to obtain a guarantee from China that the proceeds of the surtaxes be placed under foreign control and devoted to the payment of foreign debts.

The powers reached an agreement in principle on the granting of tariff autonomy to China, as of January 1, 1929, when the Chinese National Tariff Law was to be promulgated. The agreement, which was never bound by treaty, was subject to fulfillment by China of her promise to abolish likin.

Recent events indicate that China is likely to insist on full tariff autonomy by January 1, 1929, if not before, inasmuch as Northern and Southern factions alike, despite the protests of the Customs Administration, have ordered collection of the 2½ per cent surtax forecasted by the Conference.

### Commission On Extraterritoriality

The Commission on Extraterritoriality, after many delays, finally met in Peking in January, 1926. The powers of the Commission were advisory in nature and not binding. Twenty-one sessions were held, lasting until September, 1926, and a unanimous report was made which has been divided into four parts dealing with:

(1) the present practice of extraterritoriality.

(2) the laws and judicial and prison system of China.

(3) the administration of justice in China.

(4) recommendations.

The first three parts set forth findings of fact. In general, the Commission reported that China had advanced considerably in the establishment of modern courts, law codification and prison improvement, but that there were still many subjects not covered by specific laws. The operation of the courts was found far from efficient, due, largely, to the disregard of civil rights by military officials and the fact that many of the laws were nothing more than executive mandates, not enacted in accordance with the methods prescribed by the Constitution of China. The Recommendations were set forth as conditions precedent to the relinquishment by the several powers of their respective rights of extraterritoriality.

### China's First "Equal" Treaty

In the treaty concluded between Russia and China in May, 1924, China made her first step forward in the abrogation of the so-called unequal treaties and the establishment of relations of equality and reciprocity between herself and a Western power. The direct benefits of this treaty to China are somewhat theoretical, inasmuch as China failed to gain unconditional surrender of the Chinese Eastern Railway or the unconditional evacuation of Mongolia by the Soviet Government. The points of the treaty may be summarized as follows:

(1) Abolition of Russian extraterritoriality in China.

(2) Abrogation of all the treaties, conventions and agreements between the Czarist Government and China, and conclusion of new treaties, conventions and agreements upon the principle of equality and reciprocity.

(3) Abrogation of such of the treaties between Russia and a third party or parties as may be prejudicial to the sovereignty of China.

(4) Relinquishment by Russia of all privileges relative to tariff, and eventual conclusion of a tariff treaty based upon reciprocity.

(5) Relinquishment by Russia of all claims to the Settlements, barracks and leased lands established or obtained in China by the Czarist Government.

(6) Relinquishment of Russian claims to the remainder of the Boxer Indemnity.

Russia was unwilling to turn over the Chinese Eastern Railway unless China could purchase the railway with her own capital; this being obviously impossible an arrangement for joint management was worked out, the preponderance of control being in Russia's favor. In this connection it is worth noting, however, that Russia's rights were economic ones, the political rights being vested in China. Chinese sovereignty is also recognized by the Soviets in Mongolia and gradual evacuation has been promised, subject to conditions guaranteeing the safety of the frontiers.

### Abrogation Of Treaties

In June, 1925, the Chinese Government addressed identic notes to the sixteen nations having unequal treaties with

China, requesting revision or the basis of equality and reciprocity. No power gave a response satisfactory to the Chinese.

The first definite move for the abrogation of treaties was made in April, 1926, when the Chinese Government at Peking informed the Belgian Government that the General Treaty of Friendship, Commerce and Navigation of 1865 was, by Article 46, subject to revision or abrogation, and that if the treaty was not replaced by October 27, 1926, by one of complete equality and reciprocity the entire treaty would be considered as abrogated. There followed a volume of diplomatic correspondence in the effort to establish a mutually satisfactory *modus vivendi*, pending negotiation of a new treaty. Belgium proposed to submit to the Permanent Court of International Justice the question of China's right to demand a revision or abrogation of the treaty. No agreement was reached and the Chinese Government withheld its consent to refer the matter to the Court, arguing that as the issue was an entirely political one, the Court had no authority to decide whether one of the parties is equal and sovereign. On October 27, 1926, the treaty was declared abrogated by the Chinese Government. Belgium has since notified the Peking government of its willingness to abandon extraterritorial rights, though for the period of negotiation of a new treaty the old one continues in force.

Early in October, 1926, China notified Japan that the Treaty of Commerce and Navigation of 1896 was due to expire and filed notice of a desire for revision or abrogation of the unilateral phrases of the treaty. Japan has adopted a conciliatory attitude in the negotiations, reserving the right to make any revision in matters of tariff or extraterritoriality subject to the conclusions of the Customs and Extraterritoriality Conferences.

France has also been notified of the expiration of her treaty concerning Annam, and Spain of the expiration of her treaty of commerce and friendship.

### Rise Of The Nationalist Movement

Meanwhile important developments affecting the whole basis of China's relations with the powers were taking place in southern China. With the development of the Nationalist movement, headed by Dr. Sun Yat-sen, one of the leaders in the revolution of 1911, the demand for equality among the nations, abolition of extraterritoriality and customs autonomy spread rapidly among the Chinese people. During 1925 the Nationalist Party, or Kuomintang, with headquarters at Canton, launched a vigorous campaign for the unification of China and the abrogation of the unequal treaties. The Nationalist armies, under the command of General Chiang Kai-shek, achieved a series of military victories which carried them northward to the Yangtse River in the short space of three months. By December, 1926, virtually half of China was under the control of the southern government and it seemed probable that Shanghai, with its 40,000 foreigners, and perhaps even Peking, would fall before the Nationalist forces.

This new situation called for a prompt statement of policy on the part of the powers.

### The British Memorandum Of December, 1926

Great Britain took the initiative in a Memorandum made public December 26, 1926, directed to the powers signatory to the Washington Conference. In this Memorandum Britain declared her intention of carrying on the spirit of the Washington Conference and proposed that the powers jointly declare their willingness to negotiate on treaty revision and other pertinent questions as soon as China had constituted a government with authority to negotiate. The Memorandum went on to suggest that the powers declare their readiness to grant China complete tariff autonomy as soon as a new national tariff had been determined. All intent to exert foreign control on China was denied, and last but by no means least, the Memorandum proposed that the powers agree to an immediate and unconditional grant of the Washington surtaxes, the proceeds of which need not necessarily be remitted by the Commissioner of Customs to the custodian banks at Shanghai.

Articles 6 and 7 of the Memorandum read in part as follows:

"His Majesty's Government ... desire to submit their considered opinion as to the course which the Washington Treaty Powers should now adopt. His Majesty's Government propose that these Governments shall issue a statement setting forth the essential facts of the situation; declaring their readiness to negotiate on treaty revision and all other outstanding questions as soon as the Chinese themselves have constituted a Government with authority to negotiate; and stating their intention pending the establishment of such a Government to pursue a constructive policy in harmony with the spirit of the Washington Conference but developed and adapted to meet the altered circumstances of the present time.

"His Majesty's Government propose that in this joint declaration the Powers should make it clear that in their constructive policy they desire to go as far as possible towards meeting the legitimate aspirations of the Chinese nation.

"They should abandon the idea that the economic and political development of China can only be secured under foreign tutelage, and should declare their readiness to recognize her right to the enjoyment of tariff autonomy as soon as she herself has settled and promulgated a new national tariff. They should expressly disclaim any intention of forcing foreign control upon an unwilling China. While calling upon China to maintain that respect for the sanctity of treaties which is the primary obligation common to all civilized States, the Powers should yet recognize both the essential justice of the Chinese claim for treaty revision and the difficulty under present conditions of negotiating new treaties in place of the old, and they should therefore modify their traditional attitude of rigid insistence on the strict letter of treaty rights. During this possibly very prolonged period of uncertainty the Powers can only, in the view of His Majesty's Government, adopt an expectant attitude and endeavor to shape development so far as possible in conformity with the realities of the situation so that ultimately, when treaty revision becomes possible, it will be found that part at least of the revision has already been effected on satisfactory lines. It would therefore be wise to abandon the policy of ineffective protest over minor matters, reserving protest—which should then be made effective by united action—only for cases where vital interests are at stake. Every case should be considered on its merits and the declaration should show that the Powers are prepared to consider in a sympathetic spirit any reasonable proposals that the Chinese authorities, wherever situated, may make, even if contrary to strict interpretation of treaty rights, in return for fair and considerate treatment of foreign interests by them. The declaration should show that it is the policy of the Powers to endeavor to maintain harmonious relations with China without waiting for or insisting on the prior establishment of a strong Central Government."

### Response Of Other Treaty Powers

The reception of the powers was marked by caution. Though the responses of Belgium and Italy were in favor of the British proposal, France was more inclined to "wait and see," adopting a policy of strict neutrality in the meantime.

The Foreign Minister of Japan, Baron Shidehara, on January 17, speaking before the Diet, indirectly answered the British proposal and at the same time summarized Japan's position toward China in the following terms:

"First to respect the sovereignty and territorial integrity of China and scrupulously to avoid all interferences in her domestic strife.

"Second, to promote solidarity and economic rapprochement between the two nations.

"Third, to entertain sympathetically and helpfully the just aspirations of the Chinese people and to cooperate in their effort for the realization of such aspirations

"Fourth, to maintain an attitude of patience and toleration in the present situation in China, and at the same time to protect Japan's legitimate and essential rights and interests by all reasonable means at the disposal of the Government."

In accordance with the above reasons Baron Shidehara explained that Japan was sending no troops, only naval units for the protection of lives and property. and was enforcing an embargo on munitions and loans from Japanese sources. Japan, he further explained, had no objection to levying the surtaxes provided in the Washington Customs Treaty, provided such revenue was not applied to purposes of civil war.

*(To be concluded next week)*

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## Peking Government Protests Against U. S. Marines at Tientsin

The Waichiaopu (foreign Office) at Peking lodged a formal protest on June 11 with Mr. MacMurray, the American Minister, against 1,800 American marines despatched to Tientsin and demanded their immediate withdrawal.

It points out that the reinforcement is much more than necessary to maintain communications between Peking and the Coast, thus violating the Boxer Protocol; that foreigners in North China have never been endangered and the present situation in North China shows no sign of danger, that such an action taken by America is contrary to the stipulation of the resolutions of the Washington Conference, respecting the Sovereignty of China, and that it infringes on the territorial rights of China.

## Commercial Attache's Charts Depict U. S.-China Trade

Julean Arnold, U. S. Commercial Attache, was the host at his offices, 3 Canton road, Shanghai, June 17, to a large number of local merchants and officials, on the occassion of an exposition of charts showing the status of trade between the United States and China, and also of each country individually.

The assembled guests showed great interest in the graphs. Charts and graphs, like the movies, speak a universal language, and the impression left on the mind is much more vivid and lasting than mere figures.

Just to take a few examples. Who, without looking at the charts, would be able to name two articles of food, both much used in the United States and in China, and state approximately the proportions in which China surpasses the United States. The answer is, peanuts and rice, and a graph in the form of a circle showing the proportion in colors leaves a lasting impression of how far China is ahead in these two articles. But in the great majority of articles the relative production is the other way about.

Another question. In what two articles does the percentage of America's production to that of the whole world show up very strongly? The fact that America produces eighty-eight percent of the world's autos will not be news to most people, but the fact that America produces eighty percent of the world's sulphut probably is.

In similar fashion there were charts of all kinds giving the striking features of the trade and industry of the two countries. The charts are on permanent exhibition in the Commercial Attache's office and interested parties may view them at any time.

## Nanking Government Orders Foreign Houses Vacated

A proclamation in the following terms has been issued by the Nanking Government ordering the evacuation of foreign property:

Since the outbreak of hostilities in various provinces, the military and the Kuomintang-Communists have been putting up a stubborn resistance, while foreigners have gone elsewhere for safety, leaving their premises vacant.

Thus the premises have either been used as temporary barracks by the soldiers of certain armies or as offices of public organizations. This might cause misunderstanding to the foreigners and is also contrary to the declaration issued by this Government for the protection of the lives and property of foreigners.

In consequence this practice must be stopped at once. Henceforth no one will be allowed to occupy, no matter under what pretexts, foreign residences, schools, hospitals, godowns, etc.

Those who are at present occupying foreign houses should lose no time in restoring them to their owners.

## Four Hundred Labor Delegates In Session at Hankow

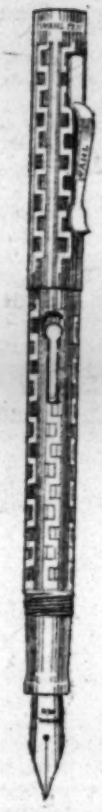
Some 400 delegates of Chinese labor organizations in Shanghai, Tientsin, Canton and elsewhere in China are in Hankow attending the Fourth National Labor Conference being held under the auspices of the Hankow Government. The delegates claim to represent 3,000,000 workers in China. According to the addresses delivered an attempt is being made to unite the laborers, peasants and small merchants into a unified organization for continuing the social revolution. Some 8,000 workers in the Wu-Han area have enrolled as students in the labor schools recently organized in Hankow.

## Institute of Pacific Relations Convenes at Hawaii Next Month

The China delegation to the Institute of Pacific Relations, to be convened at Hawaii, from July 15 to 30, was scheduled to sail from Shanghai June 24 by the s. s. *President Taft*. Dr David Z. T. Yui heads the delegation from China, other members being Dr. M. J. Bau, Dr. Chang Pu-ling, L. T. Cheu, Dr. Chen Ta, D. K. Lieu, Dr. P. Ling, Wang Yuin-wu, C. C Wu and Mrs. H. C. Zen.

William Turner, of Reuters, has been named an additional British delegate.

The proceedings of the Institute this year are attracting world-wide interest.

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## "What Happened in Kiukiang Last January"

*The China Weekly Review has been furnished with the following copy of a letter with a request to print:*

The Editor, the *Manchester Guardian.*

Dear Sir:—There is one quality we expect of the correspondants of the *Manchester Guardian*, and that is sincerity.

I have just seen an account written for the *Guardian* and reproduced in the *China Weekly Review*, entitled "What Happened in Kiukiang Last January," by Mr. Arthur Ransome.

It was I who sat in H.M.S. Woodlark (not Woodcock) and gave Mr. Ransome the information on which he based that account—and I am pained to find Mr. Ransome has misrepresented the facts.

The bald truth about the evacuation of Kiukiang on January 7th is that, if the foreign women had not been removed two days before and if the foreign men had not been called off the streets at 10 am on that morning, foreign women would have been raped and foreign men murdered as at Nanking.

Mr. Ransome's account conveys an entirely different, and therefore false, impression. A perusal of his account would lead you to suppose that there was no danger, but only a little frolicsome byplay by looting soldiery. The general gist of the article suggests that the foreigners were unnecessarily frightened and ran away without sufficient cause.

I have attached to this letter a statement in which Mr. Ransome's misrepresentations are taken up one by one and corrected. But there are several facts, of which Mr. Ransome was informed, which he has suppressed altogether.

For instance, the murderous assault during the riot on January 6th on an invalid lady, Mrs. Curtis, who was hurriedly being carried down in a stretcher to a place of safety on board ship. The assault failed thanks to a party of British sailors, who rushed down to the invalid's rescue. Then again, on the morning of January 7th the crowd, which Mr. Ransome describes as "doing no harm," was shouting out "Sha! Sha!" which, if Mr. Ransome knew as much of the Chinese language as I do, he would know meant "Kill! Kill!" Why has Mr. Ransome suppressed these facts!

I am not what goes by the name of "Die-hard," as Mr. Ransome will do me the justice to confirm if he remembers me. But I do believe that loyalty to our breed and loyalty to our salt are sentiments which, in these days, should not be discarded too lightly, that is without good and sufficient cause. There was no reason whatever why Mr. Ransome should have interpreted the events, related to him by me, in such a way as to place his countrymen and their actions in a false light, and those who had discomfited them in a too favorable light.

As I have stated, of the *Manchester Guardian* we expect sincerity. In Mr. Ransome's account that quality is conspicuous by its absence. And, if on that occasion, why not on others? I am afraid my faith in the *Guardian* has been very severely shaken.

I shall be obliged if you will publish this letter in your next issue, in order to correct the false impression conveyed by Mr. Ransome of what happened in Kiukiang last January.

P. H. MUNRO—FAURE

Kiukiang June 11, 1927.

***

*Editorial Note:—We regret we have not space to print the complete replies of the above correspondent, but we give below the salient features:*

In reply to Mr. Ransome's statement that his party was respectfully saluted by the Chinese police:—These police were the old British Municipal Council employees carrying on, and they were guaranteed their salary by the British if the new Chinese authorities failed to do so.

In reply to Mr. Ransome's statement that the riot started with a Customs squabble:—The coolies were gathered in a formerly deserted spot with the evident intention of attacking the Concession at the first opportunity. This particular Customs squabble was not out of the ordinary.

In reply to Mr. Ransome's statement about crowds doing no more harm than expressing their feelings by ostentatious expectoration:—The crowd were crying out "Kill, kill." The Municipal buildings were the first places looted.

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# Men and Events

Dr. Wu Lien-teh, head of the Manchuria Plague Prevention Service, is at present in London.

A Japanese steamer, the *Yoko Maru*, brought 8,200 tons of wheat from Canada to Shanghai May 21.

Wm. Walters of the Robert Dollar Co. departed for the United States June 18 on a brief business trip.

Donald King, for the past year advertising manager of the *Shanghai Times*, has resigned, and will shortly return to the United States.

The annual meeting of the North China Branch of the Royal Asiatic Society was held in Shanghai June 23. Sir Sidney Barton, British Consul General, occupied the chair.

H. H. Abeling, local representative of the Worthington Pump Corporation, returned to Shanghai June 17 by the s. s. *President McKinley* after a year's absence in the United States.

S. G. Hertzberg, Shanghai's pioneer cinema proprietor, departed for the United States on a business trip June 15. His visit will include Hollywood, Calif. Mr. Hertzberg has made this trip annually for the past eight years.

Clement J. Smith, vice president of the American Asiatic Underwriters, has been transferred to New York, where he will assume the position of manager. B. C. Sienkevitch has been appointed chief underwriter for the Orient.

General Chang Kai-shek's Manifesto to the People, issued in April this year, and which at the time created great interest, has been reprinted in pamphlet form in the English language by the Commercial Press, and is being extensively circulated not only in China but in foreign countries.

The main office of the Chinese Telegraphic Administration, including telegraph, telephone and wireless, will shortly be installed in Shanghai. The former offices of the Administration in Shanghai, namely the Department of Material and the Foreign Accounts Department are to be incorporated into the main office.

A Committee on Foreign Affairs was appointed by the Central Political Council of the Nanking Government June 14. The members are: Gen. Chang Kai-shek, Hu Han-ming, C. C. Wu, Li Shek-chen and Wu Tz-hui. It announces that its functions are not auxiliary, but equal in authority with the Ministry of Foreign Affairs.

L. A. Lyall, former Commissioner of Customs in Shanghai was given an official and farewell dinner by the present Commissioner, F. W. Maze, Sunday evening June 19, on the occasion of Mr. Lyall's departure for Geneva, where he will take up the post on the Opium Commission left vacant by the late Sir John Jordan, a former British Minister to China.

Foreigners traveling in Manchuria must be in possession of properly visaed travelling documents, according to regulations made by the Chinese authorities, copies of which were recently received at the U. S. Consulate General in Shanghai. Such documents must be submitted for inspection to the Chinese authorities at Changchun, Harbin, Suifenho and Manchuria.

General Hang Fu, who has recently been appointed mayor of Shanghai took a trip to Nanking several days ago, for the purpose of completing arrangements for taking over his new duties. Ten different departments are being organized to carry on the work of his administration, which covers the Chinese area surrounding the Foreign Settlement and French Concession.

Chief Justice Taft of the U. S. Supreme Court in a decision May 16 reversing the Customs Court of Appeal, held that "clothing wool" in the Customs tariff meant any wool except "carpet wool". This is a matter of great interest to China as the exports of carpet wool from this country to the U. S. A. amount to about seventeen million gold dollars annually.

Opium weighing 245,095 ounces and 8,418 ounces of morphia and other narcotics of a value of more than a quarter million Mexican dollars were destroyed June 16 under the supervision of the Customs at Pootung, (on the opposite side of the Whangpoo river from Shanghai). The burning was witnessed by representatives of the Provisional Court, Shanghai Magistrate, Bureau of Foreign Affairs and the National Anti-Opium Association. A dozen or more photos were made of the scene by the Anti-Opium Association.

Morris J. Harris who has been connected with the office of *The Associated Press* in Kansas City, Mo., has arrived in Shanghai and will maintain his headquarters here. Mr. Harris came to the Far East originally several years ago and was connected with the editorial department of the *Japan Advertiser* at Tokyo. Later he became managing editor of the *Bulletin* at Manila following which he returned to America and joined the *Associated Press* at Kansas City. Mr. Harris is a graduate of the School of Journalism of the University of Missouri.

# Who's Who in China

黃首民
**Mr. Wong Shu Min**

Mr. Wong Shu Min was born at Chin Shan, a small mountainous village about 12 miles South of Huchow, Chekiang Prov., in 1890. He received his early education in a missionary school in Huchow, now known as Soochow University Middle School No. 3. As Mr. Wong's parents died when he was young very early he had to depend on his own resources.

When the first Revolution broke out in 1911 at Wuhan, Mr. Wong introduced himself to the ex-president Li Yuan-hung, joined the late Gen. Huang Hsing's Staff and fought in all the battles against the Manchu Imperial troops around Hankow and Hanyang. After the abdication of the Manchu Emperor Mr. Wong resigned from millitary service and became business manager of the *Chun Hua Min Pao*, a Kuo-mintang daily newspaper published at Shanghai, which was later forced to stop by Yuan Shi-kai in 1914. In January 1913 Mr. Wong sailed for the United States with ambition to advance his studies. He arrived in the United States with very limited means and without introduction, but he eventually succeeded in entering Park College, Parkville, Mo. where he studied English literature, followed by studies in agriculture in the Alabama Polytechnic Institute, Auburn, Ala., and in business organization and administration in Columbia University New York. Mr. Wong was very popular in college; he was one of the best scholars and orators and won several scholarships, medals and prizes, was awarded a Tsin Hua Scholarship in 1915 and was elected a member of the F K F Honorary Fraternity in 1916. After graduating from the Ala. Polytechnic Institute with distinction in 1917, Mr. Wong returned to China and was engaged by Mr. C. C. Nieh, cotton mill owner and ex-chairman of the Chinese General Chamber of Commerce of Shanghai as his private secretary and was made manager of the cotton mills in 1918. In 1921 Mr. Wong was made Associate General Manager of the Hua Feng Cotton Spinning & Weaving Co., Ltd., and at the same time organized a million dollar corporation under the name of Tai Shan Brick & Tile Co., Ltd. of which hewas elected director and general manager, which position he still holds. The Tai Shan factories are capable of producing 5,000,000 roof tiles of red or blue color and 10,000,000 facing bricks of various shades of colors; being the largest and most up-to-date ceramic works in China to-day.

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Pursuant to an Order of said Court, notice is hereby given to all persons having claims against the Estate of ALEXANDER McGREGOR, deceased, to present the same with vouchers to the undersigned on or before December 4, 1927, and all persons owing debts to said deceased are hereby notified to make payment of the same in due course to the undersigned.

CHAUNCEY P. HOLCOMB
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SHANGHAI.

## In the United States Court for China

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| In re Estate of | Cause No. 2936 |
| J. E. WILLIAMS, | Estate No. 653 |
| Deceased. | NOTICE |

Pursuant to an Order of said Court, notice is hereby given to all persons having claims against the Estate of J. E. WILLIAMS, deceased, to present the same with vouchers to the undersigned, on or before December 4, 1927, and all persons owing debts to said deceased are hereby notified to make payment of the same in due course to the undersigned.

ERNEST M. HAYES
c/o Associated Mission Treasurers
23 Yuen Ming Yuen Road
SHANGHAI.

# Kuomintang Composes Differences, Unites On Northern Campaign?

BY J. B. P.

That Gen. Feng Yu-hsiang, the 'Christian General' has succeeded in smoothing out the differences between the Nationalist factions at Hankow and Nanking and that a definite and united campaign against Chang Tso-ling has now been decided upon, is the evidence provided in the latest reports from the Chengchow conference. This conference in Chengchow, located in Northern Honan just south of the Yellow River at the junction of the Peking-Hankow and Lung-Hai Railways, is bound to rate as one of the outstanding historical events of modern China, for it was here that Feng Yu-hsiang came into personal contact with the Nationalist forces which have conducted the war against the Northern Militarists for the past year and have succeeded in occupying practically all of China south of the Yellow River and the southern Shantung border.

### What Happened at the Chengchow Conference

Gen. Tang Shen-tse

An American who is at present in Hankow in the capacity of a newspaper correspondent, has written *The Review* that the Conference lasted only 42 hours, was in session continuously, day and night, from the day Feng arrived, and that in this period a military plan for the advance on Peking was decided upon. In addition, Feng's army was reorganized and dedicated as a definite part of the Kuomintang Army. Then, aside from this, three provincial governments for Honan, Shensi and Kansu, were constituted with a sub-political council in each. And finally, a railway administration was organized for reopening traffic on the southern section of the Peking-Hankow line, the Lung-Hai line and preparations for reopening the section of the Peking-Hankow line north of the Yellow River just as quickly as the territory can be conquered from Marshal Chang Tso-ling.

### The Military Plans

As to the future military arrangements, Feng Yu-hsiang will have charge of the Northern campaign against Chang Tso-ling, cooperating with Yen Hsi-shan, tupan of Shansi and Chiang Kai-shek, head of the Kuomintang forces at Nanking. Gen. Tang Shen-tse, commander of the Wu-Han forces which suffered so severely in the fighting in Honan province with the Fengtien forces, will remain in the Wu-Han area for other revolutionary work south of the Yellow River, which is interpreted to mean protection of the Wu-Han Government against Gen. Yang Sen and other forces which have been attempting to overturn the Government. As to the details of the Northern campaign, nothing, obviously, has been said in the press, but it is reported that Feng Yu-hsiang has requested Gen. Chiang Kai-shek, Chang Ching-kiang, Hu Han-ming, and other officials of the Nanking Government to meet him for a conference at Hsuchowfu immediately where the work of consolidating the Nationalist forces for the Peking advance will be completed. General Chang Fa-kwei, a Cantonese commander who led the so-called 'Iron Army' in the advance from Canton into the Yangtsze Valley, will remain in the Wu-Han area to cooperate with Gen. Tang Shen-tse.

### The Political Arrangement

As to the political arrangements decided upon at the Changchow Conference, they were made by five members of the Hankow Central Executive in conjunction with Feng Yu-hsiang, the five members from Hankow being Wang Ching-wei, Kow Meng-yu, Hsu Chien and Tang Yen-ta. Feng was appointed chairman of the Honan political committee, Yu Yu-jen of the Shensi committee and Liu Ya-feng of the Kansu committee, each of the two latter acting concurrently with Feng. Upon the conclusion of the Chengchow conference, Feng Yu-hsiang issued a proclamation stating that (1) The armies under Feng, formerly known as the Kuominchun, will, henceforth be known as the Kuomintang army; (2) All forces under Feng are pledged to obey the resolutions and orders of the Central Executive Committee at Wu-Han and of the Nationalist Government; (3) In obedience to the orders of the Nationalist Government, Feng's armies will fight to a finish the armies of Chang Tso-ling and there will be no compromise. In addition to this Feng issued a statement to the effect that his armies had always aimed at the promotion of the interests of the masses of the Chinese people and as a Kuomintang army, it now pledged itself to obey the principles, policies and last will of Dr. Sun Yat-sen and to carry out the Three People's Principles.

### How the Chengchow Compromise Was Effected

In reference to the compromise which was effected at the Changchow Conference, a correspondent writes as follows: "No one outside of the Committee knows whether the unanimity was due to spontaneous agreement or to one side or the other capitulating flatly. Whichever it was, it shows capacity for quick decisive government on the part of whoever won out. Personally, I think it unnecessary to assume a grouping of two sides approaching each other; it seems quite possible that Feng sees himself as part, and of course a fairly determining part, of the Wu-Han Government. In reference to Gen. Chiang Kai-shek, the atmosphere in Feng's forces seems to be regarding Chiang Kai-shek, that he will not be eliminated but as a young man will submit when he sees that the big majority of the Kuomintang troops are with Wu-Han. It is certain that Feng does not mean to fight Chiang Kai-shek, but merely may attempt to work a form of cooperation which may mean Gen. Chiang's absorption. The provincial governments appointed in Honan, Shensi and Kansu show a mingling of military and educational-administrative elements from both Feng Yu-hsiang and the Wu-Han Government. Feng Yu-hsiang's choice of Hsu Chien of the Wu-Han Government to help him organize the sub-political council of which Feng is chairman, shows that Feng does not intend to be dictated to."

### Chang Tso-ling Prepares for the Storm

That Marshal Chang Tso-ling was well advised as to the outcome of the Changchow Conference and the unification of the Nationalist military forces for the Northern drive, was indicated in the news from Peking that Marshal Chang Tso-ling had finally taken the bull by the horns and had decided to create an outright military government in Peking with himself as 'Generalissimo' and with Pan Fu as Premier and Minister of Communications. The ceremonies and Diplomatic Tea parties incidental to Chang Tso-ling's move, are referred to in the editorial columns of this week's issue of *The Review*. but the outstanding facts in the situation are that the Mukden war-lord has probably waited too long and that his present action amounts to little more than the assumption of empty honors which he will ultimately carry with him into retirement. Of interest in this connection was a Mukden dispatch by the *Toho* news agency to the effect that, should Marshal Chang be defeated this time, it probably will result in his complete elimination from the political stage, meaning by this that if Chang is driven from Chihli province, as seems more than likely within the next sixty or ninety days, that he may be forced to step aside entirely.

### Japanese Apprehension

The failure of the Japanese to bring about an alliance between Chang Tso-ling, Yen Hsi-shan and Chiang Kai-shek, and the recent turn in the situation in the South, has naturally increased the apprehension of the Japanese in respect to their interests in North China and Manchuria. As mentioned previously, Japan has landed 2,000 troops at Tsingtao and late last week some 1,500 troops were moved over to Tsinanfu, for the announced purpose of protecting Japanese residents in that center. Gen. Yamanashi, Japanese chief-of-staff and personal friend of Baron Tanaka, premier, who was in Peking, has gone to Manchuria and later intends to visit Tsingtao, Tientsin, and possibly Shanghai before returning to Tokyo to report. The British have sent the 1st Battallion of the Middlesex regiment to Weihaiwei where they will be billeted for the summer.

# From the Chinese Press

*June 15*—Fifty junks loaded with defeated Sun Chuan-fang troops reach Tsingtao from Haichow and report that several boats were lost at sea owing to stormy weather—Wu Chen, chief of the foreign affairs department of the Fengtien forces states that it is proposed to make Chang Tso-ling 'generalissimo' and that an attempt is still being made to bring about an understanding between Yen Hsi-shan, and Chiang Kai-shek, but that Chang Tso-ling still opposes the adoption of the Nationalist flag—Yen Hsi-shan states that he is unable to send troops to the Yellow river to oppose Feng Yu-hsiang—Reported that Chiang Kai-shek has requested Chang Tso-ling to dismiss Sun Chuan-fang and Chang Chung-chang before he will consent to discuss a compromise—Rikken Minseito, or Constitutional Democratic Party in Japan, passes resolution advocating non-interference policy in China and urging immediate withdrawal of troops from Tsingtao—Gen. Yamanashi, Japanese Minister of War, arrives in Peking and interviews Chang Tso-ling on the matter of compromise between North and South and issues interview through *Toho* (Japanese news service) stating that it is not impossible for a compromise to be effected—Japanese Minister Yoshizawa, Consuls Yada at Shanghai, Yoshida in Mukden, Count Kasama, Governor of Kwantung, Gen. Mutoh, commannder of Japanese garrison in Kwantung, and Consul Takao of Hankow will go to Tokyo for conference on July 20—*Toho* report from Tsingtao states that Chinese troops boarded and looted Japanese cargo vessel at Haichow—Reported that the Peking Cabinet will be reorganized with Pan Fu as Premier in place of Wellington Koo—Sun Chuan-fang in Peking interview states that it is practically impossible to compromise with Chiang Kai-shek because Gen. Chiang continues to advance into Shantung province—Hsuchowfu stages welcome for Chiang Kai-shek—Nanking Government appoints Wu Zung-tse, former manager of Hanyang Iron Works at Hankow as president of Nanyang Engineering University at Shanghai—*Kuo Wen* report from Hankow states that Yang Sen's troops are again nearing Hankow and that excitement prevails—Nanking calls financial conference on the part of financial commissioners from Anhwei, Kiangsu, Kiangsi and Chekiang—Two trains now operated daily between Pukow and Hsuchowfu—Rumored that Chang Chun-chang will remain in Tientsin and Sun Chuan-fang will defend Shantung—Forces formerly under Gen. Bei Bao-san reorganized as 31st Nationalist Army—Nanking sends Chen Feng-hsin to Hangchow to begin construction of a wireless station—Reported that Chang Tso-ling may be chief executive of new Peking Government—Yang Yu-ting, Fengtien chief-of-staff reported too ill to attend conferences—Martial law again declared in Hankow and Wuchang—Japanese withdraw marines from Hankow concession but retain barbed-wire barriers—Hankow report states that Gen. Tien Wei-chin was shot at Loyang.

*June 16*—Chang Tso-ling decides to organize a new political party to be known as the New National Party and to have six planks in its platform: Equality for China, cooperation between labor and capital, development of culture and economics, maintain public peace, promote public morals and oppose communism and class struggles—Pan Fu accepts post of Premier in New Cabinet and announces new and positive policy—*Toho* report from Peking states that Feng Yu-hsiang has gone back to Tunkwan from Chengchow and that none of Feng's troops have crossed Yellow River—Wellington Koo resigns as foreign minister and premier of Peking Government—*Toho* states that two regiments of Shansi troops appear in vicinity of Ching-Sui Railway on border between Suiyuan and Chahar special districts and that Fengtien troops have been sent to oppose them—Gen. Liu Puh-chen arrives in Nankiang as special envoy of Yen Hsi-shan—American Minister replies to Wellington Koo's Note protesting against dispatch of American Marines to


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Tientsin to the effect that they do not constitute a violation of treaty stipulations and that 'the troops are expected to be withdrawn immediately,' according to *Kuo Wen* report—Nanking report states that Gen. Chen Kuo-jui, 'right-hand lieutenant' of Chang Chung-chang was killed in fighting near Nincheng—*Kuo Wen* states that Yen Hsishan, tupan of Shansi is in a difficult position, since if he sent troops to the Yellow River district it would cause war war with Feng Yu-hsiang and if he refuses it will cause a break with Chang Tso-ling—Peking preparing second Note to Japanese regarding troop landings at Tsingtao—*Kuo Wen* states that Yen Hsi-shan has organized his army into ten divisions under the following generals, Shang Chen, Yang Chin-yuan, Hsu Yung-chang, Fu Cheng-hueh, Fu Yu-chun, Feng Yu-hsi, Yen Shi-shan (himself), Tan Ching-lin, Chen Tsuh-sun, Li Wei-hsin—Large Mass meetings in Nanking commemorate anniversary of Sun Yat-sen's defeat at the hands of Chen Chiung-ming.

*June 17*—Shantung troops abandon Hanchang and retreat in direction of Yenchow and believed that they will even retreat to Tsinan—Chang Tso-ling becomes 'generalissimo' for Fengtien forces upon urging of his subordinates—Gen. Yamanashi, Japanese chief-of-staff, leaves Peking for Mukden—Wellington Koo and wife leave Peking for Western Hills; prior to his departure he appointed Hu Wei-teh as acting premier and Wang Yin-tai as acting foreign minister—Japanese promote industrial company with capital of Yen 100,000,000 for purpose of unifying fishery, forestry, petrolium, and coal concessions obtained from Russians—*Toho* report states that Southern troops at Haichow looted Japanese shops causing loss of $200,000, thus necessitating Japanese troops landing at Tsingtao—New Peking Cabinet holds installation ceremony—Peking court holds preliminary hearing for Madame Borodin and three Russian couriers who were arrested with her on the steamer Pamiat Lenina at Pukow—*Toho* report from Tokyo quotes Gen. Shirakawa, war minister as stating that he has ordered the Japanese troops at Tsingtao to move with extreme caution—Reported that Japanese have moved 1,500 troops to Tsinanfu—Northern militarists issue proclamation stating that they have urged Chang Tso-ling to become generalissimo for the purpose of subjugating the 'reds' and saving the Chinese people—Japanese prepare to evacuate their nationals from towns along the Shantung Railway between Tsinan and Tsingtao—Chiang Kai-shek reported to have received warm welcome at Hsuchowfu—Fengtien troops report receipt of large quantities of flour and other provisions from Mukden—Peking report states that Fengtien will defend Hsinhsing on the Yellow River with Paotingfu as second line of defense—Chang Chung-chang sends Sun Chuan-fang to Shantung to assist in opposing Chiang Kai-shek—Wuhu, Shanghai and other places plan celebrations of Chiang Kai-shek's victories—Reported that Chang Tso-ling will supply Sun Chuan-fang with $500,000 monthly for military purposes—New Peking Cabinet will include Pan Fu as premier, Chang Hu as Finance Minister, Wu Ching as minister of foreign affairs, Pan Fu to serve also as minister of communications—Feng Yu-hsiang sends Soong Liang-chung as special representative at Nanking and Yen Hsi-shan sends Lu Pei-chen as his personal representative to Nanking—Yang Sen continues retreat up river into Shantung—Serious piracy breaks out in Kiaochow Bay, Shantung.

*June 18*—Japanese Government plans to appropriate Yen 600,000 for relief of Japanese refugees from the Yangtsze Valley—*Toho* report from Peking states that Fengtien forces will shorten line and defend position from Chengting on the Peking-Hankow Railway to Techow on the Tientsin-Pukow Railway, the two places being in Chihli province about 100 miles apart and easily accessible to Peking and Tientsin—Dip. Corps in Peking decides to attend Chang Tso-ling's tea party in celebration of his assumption of office as 'generalissimo'—*Toho* states M. Oudendjik, Dutch Minister and doyen of the Dip. Corps in Peking, expresses opinion that 'there is uo alternative but to recognize Chang Tso-ling's new Government—Nanking Government appoints Tuan-chang as vice-salt commissioner for Northern Kiangsu; Chen Ming-chu appointed as head of the General Political Training Department of the Central Kuomintang party

*(Continued on page VI)*

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# New Books of Interest in the Far East

## As a Chinese Sees China's Revolt

*"China in Revolt", by T'ang Leang-Li; foreword by Dr. Tsai Yuan-Pei. Preface by the Hon. Bertrand Russel. London: Noel Douglas. Price 7s. 6d.*

This book deals with fundamentals. From a Western point of view it is more revolutionary than the Chinese revolution. From a Chinese point of view it must come as a shock to the uncritical and imitative revolutionary.

Thus may be summarized what, after reading the first part of this book, one believes the author is going to give to the world. He describes the old "China in Peace" as having been a Utopian anarchy based on principles which, if applied in any period of European history, would have resulted in chaos instead of in true health and happiness. Speaking in the historic present, he says: "China in Peace, with a greater population than Europe, is practically without the priest, policeman and soldier. Only the most ignorant requires the priest, only the hopeless criminal the policeman, to keep him in order. External law and order must be false, hence, the Chinaman shapes his institutions and customs in such a way as to be able to dispense with external authority and force". He substantiates this claim historically, and explains the fundamental difference between Chinese and European by the fact that the philosophy of the former has always taught him that man is by nature good, not, as taught in Europe, bad. He gives a masterly summary of the old social system of China, showing how it worked in practice, and how family life gave freedom, not servitude.

Dr. Tsai Yuan-Pei, in his foreword, says of the author that "he..endeavours to show how an essentially peaceful and "Utopian" civilization is losing, by an involuntary and forced contact with what China considers an uncongenial and unnatural civilization, many of its admirable features, .....and is, for good or for evil, gradually developing into a self-conscious national being in the Western sense. .... If the clash between East and West, involving as it does the most disastrous war ever to be known in world history, is to be avoided, a clear conception as to the meaning of the Chinese National Movement is essential, ...in order that mankind may be spared the agony of witnessing two complementary civilizations engaging themselves in a life-and-death struggle instead of usefully and productively co-operating for the immediate benefit of the whole of mankind".

The author himself says that the situation has become a revolutionary one, necessitating a revolutionary solution of the outstanding issues. He strikes this note both at the very beginning and at the very end of the book. The central second and third Parts of the book are devoted to a bitter exposure of the last century's political, missionary and financial undermining of the old China. He justifies his proud claim to be partial, by attacking the missionaries for their contempt of that Chinese religion which he himself stigmatizes as the resort of none but the ignorant, and, so far from ignoring missionary hospitals, brands them as being "little better than seed-plots of disease".

Unfortunately, after adopting this bold attitude, the author completely fails to satisfy the reader as to what exactly are the blind spots in modern China's acceptance of Western modernization, or as to the exact ways in which he would like to see the older Chinese ideas applied in a "complementary" way to the new situation. Anything so opposed to anarchy as the irresponsible communistic students of extreme labor leaders" is, of course, swept away with one brush at the very beginning of the book: "China", he says (elsewhere), "is a land of peasant proprietorship, a civilization based on reason and justice, the inhabitants of which need no far-fetched doctrines such as those of Marx, but who, in practice as well as in theory believe in the saying that 'all men between the four seas are brothers".

He contents himself, therefore, with such unhelpful generalizations as that "the present Chinese movement is a manifestation of awakened Nationalism, placing itself in the service of Humanity and Justice", or that "the days of international exploitation have gone", while "internally there must be a reconstruction of Society on the principle of the people's control of the machinery of government and of the means of production and of distribution". If this is not taking the words out of the mouth of the hypocritical West—we shall be prepared to believe that Mr. T'ang Leang-Li is not really a disappointed anarchist whose heart can never truly have been with the Kuo Min Tang which he professes to serve.

J. D. M.


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| June | 20 | 1925 | ,, | 33 | ,, | 3 |
| ,, | 27 | ,, | ,, | ,, | ,, | 4 |
| September | 12 | ,, | ,, | 34 | ,, | 2 |
| Mar. | 5 | 1927 | ,, | 40 | ,, | 1 |
| April | 2 | ,, | ,, | 40 | ,, | 5 |
| April | 9 | ,, | ,, | 40 | ,, | 6 |
| April | 16 | ,, | ,, | 40 | ,, | 7 |

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## American Gold Bond Quotations

| Name of Security | Coupon Rate % | Date of Maturity | Sale Price June 16nd | Sale Price June 16th | Approx. Yield to Maturity June 16th |
|---|---|---|---|---|---|
| Czecho-Slovak Govt. Sinking Fund Loan... | 8 | Oct. 1, 1952 | 108⅛ | 108⅜ | 7.30 |
| Czecho Slovak Government Ext. S.F. Loan.. | 7½ | Oct. 1, 1945 | 105¼ | 105½ | 7.00 |
| Republic of Chile S. F. Loan ..... | 7 | Nov 1, 1942 | 100⅛ | 100⅜ | 7.00 |
| Argentine Government Ext. S. F. Loan..... | 6 | May. 1, 1960 | 99 | 99¼ | 6.05 |
| Kingdom of Italy, Ext. S. F. Loan..... | 7 | Dec. 1, 1951 | 95⅜ | 95 | 7.45 |
| Austrian Government S. F. Guaranteed Loan.. | 7 | June 1, 1943 | 103¼ | 103½ | 6.65 |
| French Government Ext. S. F. Loan..... | 8 | Sep. 15, 1945 | 110⅞ | 110½ | 7.00 |
| Japanese Govt. (£) .... | 5 | 1907/1947 | | 78¼ 78⅜ | 7.00 |
| German Governments S. F. Loan..... | 7 | Oct. 1, 1949 | 107⅛ | 106½ | 6.45 |
| Deutsche Renten Bank 1st Lien Farm Loan | 7 | Sept. 15, 1950 | 102⅛ | 102⅜ | 6.80 |
| Saxon Public Works Inc. 1st Mtge. Guaranteed S. F. Loan.... | 7 | Feb. 1. 1945 | 102⅛ | 102 | 6.80 |
| German General Electric Co. S.F. Loan.... | 7 | Jan. 15, 1945 | 104⅛ | 104 | 6.60 |
| Finnish Guaranteed Municipalities S. F. Loan ..... | 6½ | Oct. 1, 1954 | 99 | 98 | 6.65 |
| Chicago Rapid Transit 1st. & Refunding Mtge. | 6½ | July 1, 1944 | 98 | 98 | 6.70 |
| Northern Ohio Power & Light Co. Debentures . | 6½ | Jan. 1, 1941 | 98⅛ | 98½ | 6.65 |
| Cuban Domin. Sugar Co. 1st Lien S. F. Loan... | 7½ | Nov. 1, 1944 | 100⅛ | 100⅜ | 7.45 |
| Camaguey Sugar Co. 1st. Mtge. S. F. Loan ..... | 7 | Oct. 15, 1942 | 100⅛ | 100⅜ | 6.95 |
| Pennsylvania Dixie Cement Corpn. Cumulative ..... | 7 | Pfd. Stock | 100 | 99⅛ | 7.04 |
| Victor Talking Machine Company Cum. Prior.. | 7 | Pfd. Stock | 98⅛ | 98½ | 7.13 |
| Willys Overland Co..... | 7 | Pfd. Stock | 91 | 91 | 7.69 |
| The National City Bank of New York..... | 20 | Stock | 549 | 558 | 3.58 |

The National City Company, The National City Bank Building, No. 2A Kiukiang Road, Shanghai, China.

These quotations are subject to confirmation by the National City Company of New York.

## Shanghai Exchange for Week Ending Wednesday, June 22, 1927

*By Maitland, Fearon and Brand*

Exchange:—A decline of $\frac{5}{16}$d. in the price of Bar Silver in London has taken place during the past week:—today's quotations is 26d. ready and forward. During the same period the official T/T rate on London has dropped from 2/6$\frac{3}{4}$d. to 2/6$\frac{1}{2}$d. The exchange market has been more active and export bills have been more in evidence while the demand against imports is still small. A steady tone prevails at the close and the following rates for Gold remittances are available:—T/T London 2/6$\frac{15}{16}$d., New York 62$\frac{3}{8}$, Yen 75$\frac{7}{8}$.

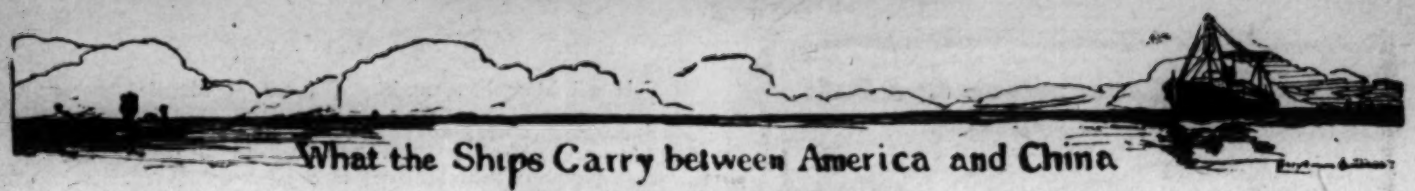
Our stocks of silver are reported as follows:—

Sycee and Bar Silver.....Tls. 75,564,000 a decrease of Tls. 422,000
Chinese and Mexican Dollars.....$ 80,010,000 an increase of $ 3,350,000
Estimated value Tls. 133,171,000 as against Tls. 122,247,000 held at this time last year.

| | Average rates for May | Thursday June 16 | Friday June 17 | Satur. June 18 | Mon. June 20 | Tuesday June 21 | Wednesday June 22 |
|---|---|---|---|---|---|---|---|
| Bank's selling rates | | *opening closing* | *opening closing* | *opening closing* | *opening closing* | *opening closing* | *opening closing* |
| T/T London | 2/6.394 | 2/6$\frac{3}{4}$ | 2/6$\frac{3}{4}$ | 2/6$\frac{7}{8}$ | 2/6$\frac{7}{8}$ | 2/6$\frac{7}{8}$ | 2/6$\frac{7}{8}$ |
| D/Dfts ,, | — | 2/6$\frac{15}{16}$ | 2/6$\frac{15}{16}$ | 2/6$\frac{15}{16}$ | 2/6$\frac{15}{16}$ | 2/6$\frac{15}{16}$ | 2/6$\frac{15}{16}$ |
| 4 m/s ,, | — | 2/7 | 2/7 | 2/6$\frac{3}{4}$ | 2/6$\frac{3}{4}$ | 2/6$\frac{7}{8}$ | 2/6$\frac{3}{4}$ |
| T/T India | 169.250 | 171$\frac{7}{8}$ | 171$\frac{7}{8}$ | 170 | 170$\frac{1}{2}$ | 170 | 170 |
| T/T France | 1.567.885 | 1585 | 1585 | 1575 | 1575 | 1575 | 1575 |
| T/T N. Y. | 61.538 | 62$\frac{1}{4}$ | 62$\frac{1}{4}$ | 61$\frac{3}{4}$ | 61$\frac{3}{4}$ | | |
| T/T Hamburg | | 262$\frac{1}{2}$ | 262$\frac{1}{2}$ | 260 | 260 | 61$\frac{3}{4}$ | 61$\frac{3}{4}$ |
| T/T H'kong | 79.759 | 78$\frac{1}{8}$ | 78$\frac{1}{8}$ | 78$\frac{3}{4}$ | 78$\frac{3}{4}$ | 260 | 61$\frac{7}{8}$ 260 |
| T/T Japan | 76.557 | 74$\frac{1}{2}$ | 74$\frac{1}{2}$ | 75$\frac{3}{4}$ | 76 | 78$\frac{3}{4}$ | 78$\frac{7}{8}$ |
| T/T Batavia | 152.942 | 155 | 155 | 153$\frac{1}{2}$ | 153$\frac{1}{2}$ | 76 | 76$\frac{5}{8}$ |
| T/T Straits | 91.567 | 90$\frac{1}{8}$ | 90$\frac{1}{8}$ | 91$\frac{1}{2}$ | 91$\frac{1}{4}$ | | |
| Bk's buying rates | | | | | | 153$\frac{1}{2}$ 91$\frac{1}{2}$ | 153$\frac{1}{2}$ 91$\frac{1}{4}$ |
| 4 m/s B/L. Cred. D/A | 2/8.394 | 2/8$\frac{3}{4}$ | 2/8$\frac{3}{4}$ | 2 8$\frac{1}{8}$ | 2/8$\frac{1}{8}$ | 2/8$\frac{1}{8}$ | 2/8$\frac{1}{8}$ |
| 4 m/s ,, D/P | — | 2/8$\frac{7}{8}$ | 2/8$\frac{7}{8}$ | 2/8$\frac{7}{8}$ | 2/8$\frac{7}{8}$ | 2/8$\frac{7}{8}$ | 2/8$\frac{7}{8}$ |
| 6 m/s ,, B/L Cred D/A | 2/8.707 | 2/9$\frac{1}{16}$ | 2/9$\frac{1}{16}$ | 2/8$\frac{15}{16}$ | 2/8$\frac{15}{16}$ | 2/8$\frac{15}{16}$ | 2/9$\frac{1}{16}$ |
| 4 m/s B/F Cred D/A or D/P | | | | | | 1705 | 1705 |
| | 1.697.885 | 1715 | 1715 | 1705 | 1705 | 65$\frac{1}{4}$ | 65$\frac{1}{4}$ |
| 4 m/s N.Y.Lc. | 65.038 | 65$\frac{1}{4}$ | 65$\frac{3}{4}$ | 65$\frac{1}{4}$ | 65$\frac{1}{4}$ | | |
| 4 m/s ,, Docs | — | 66$\frac{1}{2}$ | 66$\frac{1}{8}$ | 65$\frac{3}{4}$ | 65$\frac{3}{4}$ | 65$\frac{7}{8}$ | 65$\frac{3}{4}$ |

| †Based on Daily Official quotation, higher rate taken on rising Market, lower when falling. Bullion. | June 16 | June 17 | June 18 | June 20 | June 21 | June 22 |
|---|---|---|---|---|---|---|
| *London Price of Bar Silver per oz. (English Standard 925 touch)...Pence | 26$\frac{1}{4}$ | 26$\frac{7}{16}$ | 26$\frac{1}{2}$ | 26$\frac{1}{2}$ | 26$\frac{1}{16}$ | 26 |
| **New York Pr. of Bar Silver per oz. (Pure) | G. $.57 | G. $. 56$\frac{7}{8}$ | G. $. 56$\frac{1}{2}$ | G. $. 56$\frac{1}{2}$ | G. $. 56$\frac{1}{4}$ | G. $.56$\frac{1}{4}$ |
| Shanghai Price of Gold Bars (weight Tls. 10 (Chanping) 978 touch)..... | Tls. 359$^{10}$ | Tls. 363$^{80}$ | Tls. 362$^{20}$ | Tls. 364$^{60}$ | Tls. 370$^{20}$ | Tls. 367$^{60}$ |
| Shanghai Silver Bars (weight Tls. 100(C.)999 touch) | 110$^{00}$ | 110$^{00}$ | 110$^{00}$ | 110$^{00}$ | 110$^{00}$ | 110$^{00}$ |
| Shanghai Mexican Dollars per $100..... | 72.45 | 72.4625 | 72 40 | 72.40 | 72.675 | 72.7625 |
| Native Bank Rate of Interest (Call money)..... | 1% | Nil | 1% | 1% | 1% | 1% |
| *Closing Price in Lond on for Previous day | | | | | | |
| **Closing Price in New York for Previous day | | | | | | |

| | | | |
|---|---|---|---|
| Bank of England rate of discount | 4½% | London Paris on | T/T 123.85 |
| Bank of France rate of discount | 5% | New York on London | T/T 485$\frac{1}{2}$ |
| London open Market of Dis. 3 m/s | 4$\frac{3}{8}$% | Bombay on London | T/T 1/5$\frac{7}{8}$ |
| ,, 4 ,, | 4$\frac{3}{8}$% | Hongkong on London | T/T 1/11$\frac{1}{2}$ |
| ,, 6 ,, | 4$\frac{3}{8}$% | Kobe on London | T/T 1/11$\frac{11}{32}$ |



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### PRESIDENT CLEVELAND, May 12.

From U. S. A.

| | | |
|---|---|---|
| Tinned Plates, Plain .. | Pls. | 924 |
| Canned Fruits ..... | „ | 63 |
| Cheese ..... | „ | 109 |
| Flour, Wheat..... | „ | 1,124 |
| Lead ..... | „ | 30 |
| Milk, Condensed ..... | „ | 900 |
| Motor-cars..... | Pcs. | 6 |
| Cigarettes ..... | Mille | 40,000 |
| Timber: | | |
| Softwood, Ordinary, Sawn ..... | Sup. ft. | 2,625 |

### VICTORIOUS, May 14.

from U. S. A.

| | | |
|---|---|---|
| Cotton, Raw Bls. 12,138 | Pls. | 36,512 |
| Tobacco, Leaf ..... | „ | 5,365 |

### CRISFIELD, May 16.

from U. S. A.

| | | |
|---|---|---|
| Carbon Black..... | Pls. | 176 |
| Cotton, Raw Bls. 2,125 | „ | 7,766 |
| Leadfoil and Tinfoil, Mixture ..... | „ | 552 |
| Tobacco, Leaf ..... | „ | 3,739 |
| Oil, Kerosene, in Cases Galls. | | 150,000 |

### ARABIA MARU, May 17.

To New York.

| | | |
|---|---|---|
| Silk, Raw, Steam Filature: White, Shanghai Bls. 30 ..... | Pls. | 30.00 |
| Silk, Raw, Re-reeled: White, other Ports Bls. 30 ..... | „ | 30.20 |
| Tea, Scented, other Ports ..... | „ | 2 |
| Bran, Wheat..... | „ | 2,475 |
| Brassware..... | „ | 17 |
| Oil, Cotton Seed .... | „ | 43 |
| „ Wood..... | „ | 7,800 |
| Tobacco, Leaf ..... | „ | 417 |
| Skins, Raccoon, Untanned ..... | Pcs. | 1,000 |
| Skins, Thibetan, Untaned | „ | 3,000 |
| Kittysols ..... | „ | 1,008 |

### SIBERIA MARU, May 18.

To San Francisco.

| | | |
|---|---|---|
| Silk Pongees, Honan.. | Pls. | 1.74 |
| „ „ Waste Spun | „ | 3.81 |
| Oil, Wood ..... | „ | 926 |
| Tallow, Vegetable .... | „ | 421 |
| Eggs, Fresh ..... | Mille | 25 |

To Los Angeles.

| | | |
|---|---|---|
| Egg Yolk, Dried.... | Pls. | 105 |

To Charleston.

| | | |
|---|---|---|
| Hair, Human ..... | „ | 162 |

To New York.

| | | |
|---|---|---|
| Silk, Raw, Steam Filature: White, Shanghai Bls. 16 ..... | Pls. | 15.08 |
| White, other Ports Bls. 5 ..... | „ | 5.12 |

### PRESIDENT LINCOLN, May 20.

To Seattle.

| | | |
|---|---|---|
| Intestines, Pigs', Salted | Pls | 11 |
| Oil, Wood..... | „ | 11,152 |
| Fans, Straw ..... | Pcs. | 19,872 |

To Boston.

| | | |
|---|---|---|
| Silk, Waste, Filature: Shanghai Bls. 16.. | „ | 52 18 |
| Beans ..... | „ | 36 |
| Brassware..... | „ | 24 |

To Houston.

| | | |
|---|---|---|
| Hair, Human..... | „ | 20 |

To New York.

| | | |
|---|---|---|
| Silk, Raw, Re-reeled: White, Shanghai Bls. 5 ..... | Pls. | 5.00 |
| White, other Ports Bls. 25 ..... | „ | 25.67 |
| Silk, Raw, Dupion, Re-reeled: Shanghai....Bls. 6 | Pls. | 5.93 |
| Silk, Piece Goods ... | „ | 1.33 |
| „ Pongees, Honan.. | „ | 74.74 |
| „ „ Shantung. | „ | 2.16 |
| Brassware..... | „ | 33 |
| Chinaware, Fine..... | „ | 11 |
| Intestines, Pigs,' Salted. | „ | 45 |
| Skins, Hare, Untanned | Pcs. | 7,500 |
| „ Kid, Untanned.. | „ | 18,115 |
| „ Moufflon, Untanned | „ | 5,450 |
| „ Rabbit, „ | „ | 34,710 |
| „ Leopard, „ | „ | 168 |
| „ Sheep „ | „ | 4,865 |
| „ Weasel, with Tails, Unclassed ... | „ | 18,311 |
| Hats, Rush..... | „ | 81,000 |

To Philadelphia.

| | | |
|---|---|---|
| Cotton, Waste..... | Pls | 101 |
| Wool Sheep's..... | „ | 28 |

### TSUYAMA MARU, May 20.

To Wilmington.

| | | |
|---|---|---|
| Skins, Goat, Untanned | Pls. | 136 |

To Montreal.

| | | |
|---|---|---|
| Egg Albumen, Dried.. | „ | 84 |
| „ Yolk, Dried..... | „ | 42 |

To Philadelphia.

| | | |
|---|---|---|
| Wool, Sheep's ..... | „ | 63 |

To New York.

| | | |
|---|---|---|
| Silk Pongees, Shantung | Pls. | 4.27 |
| Tea, Black, other Kinds, Kiukiang ..... | „ | 189 |
| Tea, Green: Hyson, other Ports | „ | 34 |
| Young Hyson, other Ports ..... | „ | 96 |
| Tea, Leaf, Unfired, Hankow ..... | „ | 77 |
| Tea, Leaf, Unfired, Kiukiang ..... | „ | 10 |
| Antimony, Regulus.... | „ | 5,036 |
| Bristles, Assorted..... | „ | 178 |
| „ Unassorted .. | „ | 1 |
| Cotton Rags ..... | „ | 20 |
| Egg Albumen, Dried .. | „ | 135 |
| „ Yolk, Dried.... | „ | 312 |
| Hair, Horse Tails..... | „ | 28 |
| Intestines, Pigs', Salted | „ | 14 |
| „ Sheep's „ | „ | 8 |
| Oil, Wood ..... | „ | 8,964 |
| Wolfram Ore ..... | „ | 1,260 |
| Seed, Sesamum ..... | „ | 3,160 |
| Straw Braid, Yellow .. | „ | 199 |
| Tallow, Vegetable .... | „ | 840 |
| Wool, Sheep's ..... | „ | 119 |
| Hats, Raphia Fibre .... | Pcs. | 614 |
| „ Rush ..... | „ | 83,400 |
| Skins, Rabbit, Untanned | „ | 10,000 |
| „ Sheep, „ | „ | 6,000 |

### PRESIDENT MADISON, May 20.

From U S. A.

| | | |
|---|---|---|
| Bedsteads ..... | Pcs. | 85 |
| Machines, Sewing .. | „ | 1 |
| Motor-cars ..... | „ | 3 |
| Skins, Chamois ..... | „ | 240 |
| Apples, Dried..... | Pls. | 6 |
| Asparagus Canned.... | „ | 28 |
| Asphalt ..... | „ | 7,785 |
| Butter ..... | „ | 7 |
| Cheese..... | „ | 2 |
| Fish, Cod, Dried .... | „ | 3 |
| Canned Fruits..... | „ | 92 |
| Grease, Lubricating, Mineral ..... | „ | 29 |
| Lard ..... | „ | 5 |
| Lead, Red ..... | „ | 34 |
| Leather, Patent ..... | „ | 8 |
| Leather, Sole, Shoulders & Bellies..... | „ | 112 |
| Leather, Sole, other kinds | „ | 62 |
| Milk, Evaporated .... | „ | 1,765 |
| Macaroni ..... | „ | 3 |
| Newspapers, Old..... | „ | 1,050 |
| Oilves ..... | „ | 8 |
| Oil, Unclassed ..... | „ | 14 |
| Oranges, Fresh ..... | „ | 692 |
| Paper, Cardboard .... | „ | 1,704 |
| Salt, Table ..... | „ | 9 |
| Soda, Silicate of..... | „ | 304 |
| Shrimps, Dried ..... | „ | 88 |
| Sugar, White ..... | „ | 48 |
| „ Cube ..... | „ | 7 |
| Coffee .....Catties | | 150 |
| Chocolate ..... | Lb. | 1,404 |
| Hats, Straw ..... | Doz. | 52 |
| Cigarettes ..... | Mille | 8,080 |
| Lemons, Fresh ..... | „ | 130 |
| Oil, Lubricating, Mineral Galls. | | 30,064 |
| Treasure: Silver Bars ....Hk. Tls. | | 492,362 |

### CITY OF PEKIN, May 21.

from U. S. A.

| | | |
|---|---|---|
| Cotton Goods, Unclassed Yds. | | 1,051 |
| Steel Sheets ..... | Pls. | 674 |
| Steel, Galvanized: Sheets, Plain..... | „ | 353 |
| Tubes ..... | „ | 292 |
| Wire Shorts..... | „ | 866 |
| Tinned Plates, Plain .. | „ | 3,611 |
| Wire Gauze ..... | „ | 11 |
| Flour, Corn ..... | „ | 11 |
| Glue ..... | „ | 12 |
| Indigo Paste, Artificial: 20 per cent. ..... | „ | 114 |
| Paper, Unclassed .... | „ | 75 |
| Tobacco, Leaf ..... | „ | 8,286 |
| Wax, Paraffin ..... | „ | 336 |
| Cigarettes ..... | Mille | 74,000 |
| Oil, Lubricating, Mineral Galls. | | 26,710 |
| Paints, Unclassed .... | „ | 28 |
| Machinery ..... | Hk. Tls. | 10,563 |

### YANGTSZE, May 23.

from U. S. A.

| | | |
|---|---|---|
| Steel Sheets ..... | Pls. | 202 |
| Steel, Galvanized: Sheets Plain ..... | „ | 674 |
| Tinned Plates, Plain... | „ | 1,052 |
| Cotton, Raw Bls .. 500 | „ | 1,735 |
| Paper, Unclassed ..... | „ | 857 |
| Oil, Lubricating..... | Galls. | 6,986 |
| „ Mineral Seal..... | „ | 1,920 |
| „ Sole Leather .... | „ | 752 |
| „ Transil ..... | „ | 7,050 |
| Cigarettes ..... | Mille | 60,000 |

## Weekly Cotton Market Report

*By J. Spunt & Co.*

*China Cotton*:—Our market throughout the past week showed a firmer aspect in that prices moved gradually upward evolving on the whole an elevation of Tls. 1.00 per picul for near and about Tls.0.50 per picul for forward deliveries higher than the level last current. This rising tendency may be said to be due to the recovery of Mid-Americans which is being engendered by favorable Liverpool markets and the creation of a bullish sentiment by the dissemination of private forecasts of lower crop figures in the U.S.A. No marked improvement in the demand for the local staple on the part of spinners is as yet discernible, but no sooner the political conditions shall have become more stabilized, a more seasonable demand for Mills' output may reasonably be expected, and having such an event in view, purchases at this time on a conservative basis may eventually prove profitable and particularly so if the tendency in foreign staples continues in a firm direction.

*Yarn*:—Fluctuations in the yarn market during the past week have been nervous and erratic but the tendency on the whole has been toward steadiness with a firm undertone, in that prices show an advance of Tls.0.50 to Tls.1.00 above that registered during the previous period. In all some 8,000 to 9,000 bales of local spinnings both for spot and forward deliveries have been booked for export to Canton, Newchwang, Swatow, Wuhu, Amoy Kiangse, Chefoo, Ningpo, Tientsin, Szechuen, Fukien, and other interior ports.

*Liverpool:—*

| | |
|---|---|
| American-Middling | 9.15 |
| American-Middling last reported .... | 9.03 |
| Tone of Market, *Steady.* | |

*New York Market:—*

| | |
|---|---|
| Price of Mid-Amer. | 16.90 Spot. |
| | 16.65 July. |
| | 17.01 Oct. |
| | 17.24 Dec. |
| | 17.31 Jan. |
| | 17.46 Mar. |
| e of the market— | *Firm* |

*Indian Market*:—

| | |
|---|---|
| Fully Good Bengal, D./J. | 288 |
| Fine Oomra, July..... | 322 |
| Fully Good Broach, J./A. | 332 |
| Tone of the market— | *Steady* |

*Shanghai Market*:—

| | Tls. |
|---|---|
| Tungchow, spot exwharf | 34.40 |
| Shanghai, Spot..... | 34.00 |
| M. Ginned, Spot..... | 34.50 |
| Shensi, No. 1 Spot..... | 35.50 |
| Ningpo. Spot, Exwharf . | 33.00 |

Tone of the market—*Firm*

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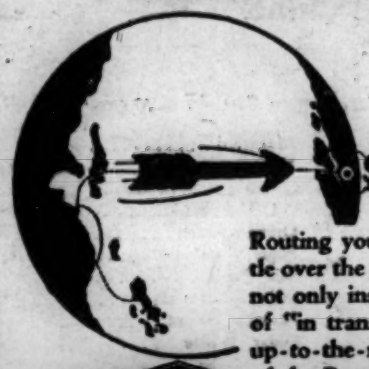


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(*Continued from page 100*)

—Hsueh Ming-luo, wealthy Chinese in Manila announces his intentions of contributing a large sum of money for the development of Nanking—Yang Yu-ting, chief-of-staff of Chang Tso-ling, in *Kuo Wen* interview states that the Ankuochun would still try to cooperate with Yen Hsi-shan and the Nationalists forces and also stated that if the new Government in Peking was merely for enhancing the prestige of Chang Tso-ling it might result in more harm than good—Nanking report states that Tsining was captured by the 8th Division of the Nationalist forces—500 French troops with 10 machine guns, 16 cannons, and 500 cases of ammunition arrive in Tientsin—Gen. Chiang Kai-shek arrives at Hsuchowfu and delivers a long speech at the railway station before a large crowd—Feng Yn-hsiang appointed head of Honan Political Committee with Gen. Lu Chung-lin as chief-of-staff, other officials being Hsueh Tu-pi as financial commissioner; Liu Yeh-chow, head of reconstruction; Lin Mien-tse as Educational Commissioner; Tai Hsiu-tsan, head of judiciary; Chin Yun-ao, Sun Fo, Liu. Tsung-hua, Fang Tsung-wu and Liang Tsung-kai as members of political committee—8,000 wounded troops being treated in Hankow hospitals—Nanking report states that since there are not more than 30,000 Northern troops in Shantung, that the Southern troops of Yen Hsi-shan, Feng Yu-hsiang and Chiang Kai-shek are now practically in contact along the Yellow River in preparation for the push northward.

*June 19*—Tsinanfu report by *Toho* claims than Hanchuang has not fallen to Nationalists and that Gen. Chang Chung-chang will not evacuate and that reports that he was planning to evacuate was nothing but 'anti-Fengtien propaganda'. Mukden report by *Toho* states that Chang Tso-ling's assumption of office as Generalissimo is tantamount to a declaration of war, hence if Chang is defeated, he would eventually be forced into retirement—Chang Tso-ling at tea-party to Diplomatic Corps makes a speech in which he says his intentions are to 'renovate diplomatic policy, and promote welfare of Chinese people and hoped that Powers would adopt friendly attitude and not interfere; said Ankuochun has five or six hundred thousand troops for use in 'exterminating the reds'—Japanese Minister Yoshizawa says that the dispatch of Japanese troops to Tsingtao was purely for purpose of preventing repetition of Nanking incident; also said that Japan and Russia are on friendly basis and 'hope they will keep on it in future'—Six Chinese women killed in run on Shantung Provincial Bank in Tsinan—Ankuochun Government announces new regulations; Mandate issued appointing Pan Fu as Premier; Chang Tso-ling issues circular telegram announcing his assumption of office as Generalissimo.

*June 20*—Peking report states Ho Feng-lin, former An Fu defense commissioner, Shanghai, appointed minister army and navy by Chang Tso-ling and Liu Shang-ching as minister agriculture and commerce—Diplomatic conference opens in Tokyo to consider Japanese policy toward China—*Toho* gives complete report Changchow Conference between Feng Yu-hsiang and representatives Yen Hsi-shan and Wu-Han Government showing new political committees; Honan, Shensi and Kansu contain about equal representation of Feng and Wu-Han appointees—Gen. Lu Chung-lin, considered Feng's ablest military commander who just returned from Germany appointed Chief of the Civil Administration of the Honan Government—Hankow Government pledges self supply Feng Yu-hsiang with munitions (complete report of Changchow conference elsewhere in this issue of *The Review*)—20,000 people attend massmeeting in Hankow to celebrate victories of Nationalist iroops in Honan—60,000 attend three-day celebration of Chiang Kai-shek victories in Northern Kiangsu in Shanghai—Feng Yu-hsiang arrives in Hsuchowfu for conference with Chiang Kai-shek to complete unity for Northern campaign—Gen. Yang Sen's retreating troops reach Ichang causing apprehension owing fear of looting—New Chang Tso-ling Cabinet meets in Peking—*Toho* report interprets Changchow conference as victory for Feng Yu-hsiang—Chang Tso-ling party becoming apprehensive regarding attitude of Yen Hsi-shan who refuses to reply to Chang's telegrams regarding cooperation.


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